

THE DEPARTMENT OF STATE BULLETIN

JANUARY 13, 1940

Vol. II: No. 29—Publication 1425

Contents

	Page
EUROPE:	
Department of State Advisory Committee on Problems of Foreign Relations	19
Aid to Finland	19
Contributions for relief in belligerent countries	20
Detention by belligerents of American vessels for examination of papers or cargoes	27
THE AMERICAN REPUBLICS:	
Travel between the American Republics:	
Proclamation by the President	28
Letter from the Secretary of State to the President of the American Merchant Marine Institute.	28
Death of an American citizen on the Pan American Highway	29
COMMERCIAL POLICY:	
Statement by the Secretary of State before the House Ways and Means Committee	29
Extension of the Reciprocal Trade Act: Address by Assistant Secretary Grady.	38
Correspondence between the Secretary of State and the President of the American Federation of Labor	42
Termination of trade-agreement negotiations with Argentina	42
Termination of trade-agreement negotiations with Uruguay	43
Analysis of trade with Canada, 1936-1938.	43

[Over]



INTERNATIONAL CONFERENCES, COMMISSIONS, ETC.:	Page
International Commission of Inquiry, United States and China.	48
FOREIGN SERVICE OF THE UNITED STATES:	
Establishment of diplomatic relations with Australia .	49
Personnel changes	49
TREATY INFORMATION:	
Health:	
Convention Modifying the International Sanitary Convention of June 21, 1926	50
Arbitration:	
Permanent Court of Arbitration	50
Conciliation:	
Treaty with China for the Advancement of Peace (Treaty Series No. 619).	51
Commerce:	
Termination of trade-agreement negotiations with Argentina	51
Termination of trade-agreement negotiations with Uruguay	51
Telecommunications:	
International Telecommunication Convention (Treaty Series No. 867).	51
International Consultative Committee on Radio- communications (C. C. I. R.)	51
PUBLICATIONS	52

Europe

DEPARTMENT OF STATE ADVISORY COMMITTEE ON PROBLEMS OF FOREIGN RELATIONS

[Released to the press January 8]

The war has brought about, and is continuing to bring about, a series of measures and policies on the part of both belligerents and neutrals which immediately affect the United States and which may have consequences of an enduring nature upon our country's foreign relations once peace is established.

Some of the most important and immediate of these measures and policies are in the field of economic activity and relations. The war has absorbed the labor and production of much of the world in armament and military activity.

When the war ends, problems of readjustment to peace-time production will be presented, which may gravely affect the United States.

Accordingly, the Secretary of State has set up in the Department a committee which will gather data on and study both the immediate and long-range results of overseas war measures and the manner in which the problems arising from them may best be handled so as to avoid shock and to prevent undesirable enduring results.

Mr. Welles will serve as chairman and Mr. Hugh Wilson as vice chairman of this committee.

♦ ♦ ♦ ♦ ♦

AID TO FINLAND

[Released to the press January 8]

Following is the text of a communication dated December 28, 1939, from the Secretary General of the League of Nations to the American Minister to Switzerland, Mr. Leland Harrison:

"I have the honor to inform you that, in accordance with the resolution adopted by the Assembly on December 14th, in connection with the Finnish appeal, I have addressed to the members of the League the following telegram:

"With reference resolution adopted Assembly December 14th as result Finnish appeal beg draw Government's attention particularly to last three paragraphs first part resolution, namely, "Assembly urgently appeals to every

member of the League to provide Finland with such material and humanitarian assistance as may be in its power and to refrain from any action which might weaken Finland's power of resistance; authorizes the Secretary General to lend the aid of his technical services in the organization of the aforesaid assistance to Finland; and likewise authorizes the Secretary General in virtue of the Assembly resolution of October 4, 1937, to consult non-member states with a view to possible cooperation." Should be grateful for information regarding your Government's intentions. Avenol, Secretary General'.

"The Assembly having authorized me to consult non-member states with a view to their possible cooperation in the assistance to be given to Finland, I should be grateful if you

would enable me to inform the Finnish Government whether and, if so, to what extent, your Government is willing to help."

On January 5, 1940, the Secretary of State instructed the American Minister to Switzerland to address the following note to the Secretary General of the League of Nations in reply to the Secretary General's communication of December 28, 1939:

"I have the honor to inform you that I have been instructed by my Government to acknowledge the receipt of your communication of December 28, 1939 concerning the resolution adopted by the Assembly of the League of Nations on December 14, 1939, following the appeal of the Government of Finland for material and humanitarian assistance, and inquiring whether my Government would enable you to inform the Finnish Government whether, and if so, to what extent my Government is willing to help.

"In reply I am instructed to state that the Government of the United States has from the outbreak of hostilities given tangible indication of its sympathy for the people and Government of Finland in the present situation.

"Furthermore the American Red Cross and private organizations in the United States have already extended medical, financial, and other aid to the Finnish people and are in consultation with agencies of the Finnish Government with regard to the most effective manner in which such aid may be continued and expanded. This assistance is no doubt reflected in the reports of its needs which the Finnish Government is understood to be submitting to the Secretariat of the League of Nations, and my Government considers that the direct consultations undertaken by it, and by the American Red Cross and private agencies, with the Government of Finland will adequately meet the necessity for avoiding confusion of effort."

♦ ♦ ♦ ♦ ♦

CONTRIBUTIONS FOR RELIEF IN BELLIGERENT COUNTRIES

[Released to the press January 9]

The following list sets forth information in regard to persons and organizations which have registered with the Secretary of State subsequent to December 4, 1939, pursuant to the rules and regulations governing the solicitation and collection of contributions to be used for medical aid and assistance or for the supplying of food and clothing to relieve human suffering in the countries now at war, promulgated pursuant to the provisions of section 8 of the act of November 4, 1939, as made effective by the President's proclamation of November 4, 1939 (the names in parentheses represent the countries to which contributions are being sent):

209. Anciens Combattants Français de la Grande Guerre, 5722 Benner Street, Los Angeles, Calif. (France)
210. North Side Polish Council, Relief Committee of Milwaukee, Wis., 2962 North Bremen Street, Milwaukee, Wis. (Poland)
211. Friends of Poland, 5558 South Fairfield Avenue, Chicago, Ill. (Poland)
212. The British War Relief Association of Southern California, 212 Bradbury Building, Los Angeles, Calif. (Great Britain)
213. United Opler Relief of New York, care of Joe Grossman, 790 Dawson Street, New York, N. Y. (Poland)
214. American Volunteers Ambulance, Hotel Chatham, Forty-eighth and Vanderbilt Avenue, New York, N. Y. (France)

215. Mrs. Larz Anderson, 19 Congress Street, Boston, Mass. (France)
216. The Catholic Student War Relief of Pax Romana, Pax Romana Office, Catholic University of America, Washington, D. C. (Poland, France, Germany, and Great Britain)
217. Polish Relief Fund Committee, 604 East Forty-second Street, Los Angeles, Calif. (Poland)
218. Polish Relief Committee, 30 Chandler Avenue, Taunton, Mass. (Poland)
219. Relief Society for Jews in Lublin, 1206 South Lacienea Boulevard, Los Angeles, Calif. (Poland)
220. American Fund for Wounded in France, Inc., 72 Pearl Street, Worcester, Mass. (France)
221. Polish American Citizens Relief Fund Committee, R. F. D. Box No. 42A, Shirley, Mass. (Poland)
222. Irvin McD. Garfield, 30 State Street, Boston, Mass. (Great Britain)
223. Society of the Devotees of Jerusalem, Inc., 400 East Houston Street, New York, N. Y. (Palestine)
224. Association of Former Juniors in France of Smith College, care of Smith College Club, 34 East Fiftieth Street, New York, N. Y. (France)
225. The Friends of Normandy, 993 Park Avenue, New York, N. Y. (France)
226. Women's Allied War Relief Association of St. Louis, 21 Dartford Avenue, Clayton, Mo. (France and Great Britain)
227. Basque Delegation in the United States of America, 60 East Fifty-fourth Street, New York, N. Y. (France)
228. Greater New Bedford British War Relief Corps, Cornell Building, Pleasant Street, New Bedford, Mass. (Great Britain)
229. Les Amitiés Féminines de la France, care of Miss B. A. Weill, 315 East Sixty-eighth Street, New York, N. Y. (France)
230. Bishops' Committee for Polish Relief, 1312 Massachusetts Avenue, NW., Washington, D. C. (Poland)
231. American and French Students' Correspondence Exchange, (temporary) care of Prof. H. C. Olinger, School of Education, New York University, Washington Square, New York, N. Y. (France)
232. Les Amis de la France à Puerto Rico, Ponce de Leon Avenue and Cuervillas Street, San Juan, P. R. (France)
233. English Speaking Union of the United States, 30 Rockefeller Plaza, New York, N. Y. (France and Great Britain)
234. Urgent Relief for France, 1622 Rhode Island Avenue, NW., Washington, D. C. (France)
235. Bundles for Britain, care of John Delafield, 20 Exchange Place, New York, N. Y. (Great Britain and Dominions)
236. Boston Branch of the American Fund for French Wounded, Inc., 256 Beacon Street, Boston, Mass. (France)
237. Hebrew Christian Alliance of America, 3508 Ogden Avenue, Chicago, Ill. (Poland, Germany, and Great Britain)
238. United Nowy Dworek Relief Committee, 40 East Seventh Street, New York, N. Y. (Poland)
239. American Association for Assistance to French Artists, Inc., care of Mrs. David Randall-MacIver, 535 Park Avenue, New York, N. Y. (France)
240. Independent Kinsker Aid Association, care of Benj. W. Salzman, Secretary, 3815 Sea Gate Avenue, Brooklyn, N. Y. (Poland)
241. American McAll Association, 297 Fourth Avenue, New York, N. Y. (France)
242. Lafayette Fund, 3101 R Street, NW., Washington, D. C. (France)

[Released to the press January 12]

Following is a tabulation of contributions received and funds expended during the months of September, October, and November 1939 as shown in the reports submitted by persons and organizations registered with the Secretary of State for the purpose of soliciting and receiving contributions for use in belligerent countries in conformity with the regulations issued pursuant to section 3 (a) of the Neutrality Act of May 1, 1937, as made effective by the President's proclamations of September 5, 8, and 10, 1939, and pursuant to section 8 of the act of November 4, 1939, as made effective by the President's proclamation of November 4, 1939:

CONTRIBUTIONS FOR RELIEF IN BELLIGERENT COUNTRIES

Name of organization, city, date of registration, and country or countries to which contributions are being sent	Funds received	Expenditures for relief in countries named	Funds spent for administration, publicity, affairs, campaigns, etc.	Unexpended balance as of Nov. 30, 1939, including cost of goods purchased and still on hand	Estimated value of contributions in kind collected by registrant and sent to countries named
American Auxiliary Committee de L'Union des Femmes de France, New York, N. Y., Nov. 8, 1939. France.	\$97.00	None	\$0.56	\$96.44	\$200.00
American Committee for Aid to British Medical Societies, New York, N. Y., Sept. 21, 1939. United Kingdom.	1,145.00	None	1,004.50	140.50	None
American Committee for Christian Refugees, New York, N. Y., Sept. 26, 1939. Germany and France.	None	None	None	None	None
American Committee for Civilian Relief in Poland, New York, N. Y., Sept. 14, 1939. ^a Poland.	None	None	None	None	None
American Field Service, New York, N. Y., Sept. 27, 1939. France.	10,982.57	None	282.57	10,700.00	None
American Friends of Czechoslovakia, New York, N. Y., Nov. 2, 1939. Great Britain, France, and Bohemia-Moravia.	1,853.00	\$250.50	754.81	847.69	None
American Friends of France, Inc., New York, N. Y., Sept. 21, 1939. France.	24,829.36	21,161.34	388.74	3,279.28	734.20
American Friends Service Committee, Philadelphia, Pa., Nov. 9, 1939. United Kingdom, Poland, Germany, and France.	16,848.63	15.00	1,984.07	14,849.56	None
American German Aid Society, Los Angeles, Calif., Nov. 15, 1939. Germany.	32.00	None	None	32.00	None
The American Jewish Joint Distribution Committee, Inc., New York, N. Y., Sept. 29, 1939. ^b United Kingdom, Poland, Germany, and France.					
American Society for British Medical and Civilian Aid, Inc., New York, N. Y., Oct. 19, 1939. Great Britain and France.	75,500.00	None	169.67	75,330.33	None
American Society for French Medical and Civilian Aid, Inc., New York, N. Y., Oct. 13, 1939. France.	40,074.36	3,300.00	238.14	36,536.22	1,861.73
American Women's Hospitals, New York, N. Y., Sept. 14, 1939. France and England.	499.02	200.00	2.50	296.52	None
Anthracite Relief Committee, Wilkes-Barre, Pa., Sept. 8, 1939. Poland.	5,317.07	None	None	5,317.07	None
Associated Polish Societies Relief Committee of Webster, Mass., Webster, Mass., Sept. 21, 1939. Poland.	2,422.34	None	7.50	2,414.84	None
Associated Polish Societies Relief Committee of Worcester, Mass., Worcester, Mass., Sept. 14, 1939. Poland.	5,278.38	3,979.24	453.10	846.04	230.00
Association Franco-Americaine des Parrains et Marraines de Guerre des U. S. A., Washington, D. C., Oct. 2, 1939. ^c France.	35.00	None	35.00	None	None
Association of Joint Polish-American Societies of Chelsea, Mass., Chelsea, Mass., Sept. 15, 1939. Poland.	1,289.03	None	85.67	1,203.36	None
Beth-Lechem, Inc., New York, N. Y., Sept. 21, 1939. Poland.	960.36	216.40	532.82	211.14	None
Board of National Missions of the Presbyterian Church in the United States of America, New York, N. Y., Sept. 26, 1939. Great Britain, France, and Germany.	6,051.72	3,695.50	624.26	1,731.96	None
British-American War Relief Association, Seattle, Wash., Nov. 17, 1939. United Kingdom and allied countries.	579.90	25.00	123.43	431.42	None
British War Relief Association of Northern California, San Francisco, Calif., Oct. 20, 1939. Great Britain and France.	1,743.08	None	16.84	1,726.24	82.33
California State Committee for Polish Relief, Culver City, Calif., Sept. 26, 1939. ^d Poland.	None	None	None	None	None
The Catholic Leader, New Britain, Conn., Sept. 25, 1939. Poland.	1,496.10	None	None	1,496.10	None
Central Citizens Committee, Detroit, Mich., Sept. 14, 1939. Poland.	536.59	536.59	None	None	None
Central Committee Knesseth Israel, New York, N. Y., Oct. 27, 1939. Palestine.	5,093.85	3,222.45	1,871.40	None	None
Central Committee of the United Polish Societies, Bridgeport, Conn., Sept. 14, 1939. Poland.	1,796.15	None	None	1,796.15	None
Central Council of Polish Organizations, New Castle, Pa., Nov. 7, 1939. England, Poland, and France.	129.04	None	None	129.04	None
Central Council of Polish Organizations in Pittsburgh, Pa., Pittsburgh, Pa., Sept. 14, 1939. Poland.	7,942.67	6,100.54	153.75	1,688.38	None
Central Spanish Committee for Relief of Refugees, Washington, D. C., Sept. 21, 1939. France.	3,446.49	45.00	1,229.26	2,172.23	None
Centrals, Passaic, N. J., Oct. 12, 1939. Poland.	782.06	None	11.65	770.41	None
Cercle Français de Seattle, Seattle, Wash., Nov. 2, 1939. France and Great Britain.	367.00	None	None	367.00	None
Chester (Delaware County, Pa.) Polish Relief Committee, Chester, Pa., Sept. 15, 1939. Poland.	2,760.37	2,000.00	117.50	642.87	None
Circle of Poles of St. Hedwig, Polish American Citizens' Committee, New Britain, Conn., Sept. 20, 1939. Poland.	1,784.27	None	None	1,784.27	None
Citizens Committee for Relief of War Sufferers in Poland, St. Louis, Mo., Oct. 16, 1939. Poland.	2,781.75	1,155.89	334.89	1,290.97	None
Club Amical Français, Detroit, Mich., Sept. 15, 1939. France, Poland, and Great Britain.	624.81	522.88	90.92	11.01	None
Commission for Polish Relief, Inc., New York, N. Y., Sept. 12, 1939. ^e Poland.	36,402.83	25,016.51	9,530.46	1,855.86	None
Committee of Mercy, Inc., New York, N. Y., Sept. 16, 1939. France, Great Britain, and their allies.	3,998.52	3,008.00	737.93	252.59	None
Committee of the American Fund for Breton Relief, New York, N. Y., Oct. 31, 1939. France.	1,010.00	544.00	6.00	460.00	None

^a The registration of this organization was revoked on Nov. 17, 1939, at request of registrant.

^b This organization is engaged in varied relief activities in nonbelligerent as well as belligerent countries. On Nov. 1, the organization had an unexpended balance of \$872,120.84. During the month of November it received and expended for all purposes \$478,617.28 and \$1,242,686.48, respectively, leaving an unexpended balance at the end of that month of \$108,051.64. A break-down of receipts and expenditures for relief in belligerent countries will be shown in a subsequent report.

^c The registration of this organization was revoked on Nov. 21, 1939, for failure to observe rules and regulations.

^d The registration of this organization was revoked on Oct. 28, 1939, at request of registrant.

^e The administrative expenses of this organization were incurred not only in connection with the contributions received directly by it but also in connection with the contributions transmitted to it by other registrants in this country to be used for relief purposes in Poland.

CONTRIBUTIONS FOR RELIEF IN BELLIGERENT COUNTRIES—Continued

Name of organization, city, date of registration, and country or countries to which contributions are being sent	Funds received	Expenditures for relief in countries named	Funds spent for administration, publicity, affairs, campaigns, etc.	Unexpended balance as of Nov. 30, 1939, including cost of goods purchased and still on hand	Estimated value of contributions in kind collected by registrant and sent to countries named
Committee of French-American Wives, New York, N. Y., Nov. 15, 1939. France	\$661.00	\$300.00	\$18.00	\$343.00	None
Committee Representing Polish Organizations and Polish People in Perry, N. Y., Perry, N. Y., Oct. 23, 1939. Poland	None	None	None	None	None
Connecticut Radio Bureau, Meriden, Conn., Sept. 30, 1939. Poland	None	None	None	None	None
East Chicago Citizens' Committee for Polish War Sufferers and Refugees, East Chicago, Ind., Oct. 16, 1939. Poland	517.14	500.00	15.44	1.70	None
The Emergency Aid of Pa., Philadelphia, Pa., Oct. 13, 1939. England and France	585.24	None	21.00	564.24	None
The Fashion Group, Inc., New York, N. Y., Nov. 18, 1939. France	None	None	None	None	None
Federated Council of Polish Societies of Grand Rapids, Mich., Grand Rapids, Mich., Sept. 15, 1939. Poland	2,826.52	2,200.00	2.50	624.02	None
Federation of Franco-Belgian Clubs of Rhode Island, Woonsocket, R. I., Nov. 15, 1939. France	None	None	None	None	None
Federation of French Veterans of the Great War, Inc., New York, N. Y., Oct. 11, 1939. France	None	None	None	None	\$331.70
Federation of Polish Jews in America, Inc., New York, N. Y., Sept. 14, 1939. Poland	None	None	None	None	None
The Federation of Polish Societies, Little Falls, N. Y., Oct. 9, 1939. Poland	320.92	150.00	25.97	144.95	None
Foster Parents' Plan for War Children, Inc., New York, N. Y., Sept. 21, 1939. France	27,002.40	10,423.03	4,451.49	12,727.88	None
French and American Association for the Relief of War Sufferers, New York, N. Y., Sept. 14, 1939. France	3,857.04	None	114.71	3,742.33	\$2,884.55
French Committee for Relief in France, Detroit, Mich., Oct. 17, 1939. France	356.15	223.00	20.07	113.08	None
French War Relief, Inc., Los Angeles, Calif., Nov. 16, 1939. France	1,192.55	None	342.25	850.30	None
The Friends of Israel Refugee Relief Committee, Inc., Philadelphia, Pa., Oct. 23, 1939. Canada, France, and England	5,407.15	92.50	1,119.25	4,195.40	None
Fund for the Relief of Scientists, Men of Letters and Artists of Moscow, New York, N. Y., Oct. 20, 1939. France and England	None	None	None	None	None
General Gustav Orlicz Dresser Foundation for Aid to Polish Children, Washington, D. C., Nov. 3, 1939. Poland	115.54	None	115.54	None	None
General Taufflieb Memorial Relief Committee for France, Santa Barbara, Calif., Nov. 17, 1939. France and England	390.50	390.50	None	10.00	60.00
Golden Rule Foundation, New York, N. Y., Nov. 2, 1939. Poland and Palestine	35.50	None	None	35.50	None
Orrin S. Good, Spokane, Wash., Sept. 28, 1939. United Kingdom	1.00	1.00	None	None	None
Margaret-Greble Greenough (Mrs. Carroll Greenough), Washington, D. C., Nov. 21, 1939. France	72.00	None	None	72.00	None
Hadassah, Inc., New York, N. Y., Nov. 15, 1939. Palestine	310,333.19	185,229.12	4,272.94	120,831.13	511.90
Holy Cross Relief Fund Association of New Britain, Conn., New Britain, Conn., Sept. 27, 1939. Poland	450.28	None	None	450.28	None
Holy Rosary Polish Roman Catholic Church, Passaic, N. J., Sept. 15, 1939. Poland	1,000.00	1,000.00	None	None	None
James F. Hopkins, Inc., Detroit, Mich., Sept. 15, 1939. Poland	None	None	None	None	None
Humanitarian Work Committee, Glen Cove, N. Y., Sept. 30, 1939. Poland	350.40	200.00	None	150.40	None
International Artists' Community Club, Washington, D. C., Oct. 7, 1939. Poland	None	None	None	None	None
International Committee of Young Men's Christian Associations, New York, N. Y., Sept. 22, 1939. Poland, France, and India	1,100.00	None	594.08	505.92	None
International Relief Association for Victims of Fascism, New York, N. Y., Sept. 25, 1939. France, England, and Germany	4,030.89	1,725.42	1,423.54	881.93	675.00
The Kindergarten Unit, Inc., Norwalk, Conn., Oct. 3, 1939. France, Poland, United Kingdom, India, Australia, and New Zealand	151.89	None	151.89	None	None
Kuryer Publishing Co., Milwaukee, Wis., Sept. 16, 1939. Poland	4,088.30	4,076.53	11.77	None	None
Lackawanna County Committee for Polish Relief, Scranton, Pa., Sept. 15, 1939. Poland	1,681.15	None	None	1,681.15	None
LaFayette Preventorium, Inc., New York, N. Y., Sept. 21, 1939. France	6,347.47	4,560.54	1,317.91	469.02	None
League of Polish Societies of New Kensington, Arnold, and vicinity, New Kensington, Pa., Nov. 17, 1939. Poland	91.30	None	3.60	87.70	None
Legion of Young Polish Women, Chicago, Ill., Oct. 2, 1939. Poland	4,568.92	942.00	637.20	2,969.72	None
Les Anciens Combattants Français de la Grande Guerre (French War Veterans of San Francisco Benevolent Association), San Francisco, Calif., Oct. 26, 1939. France	3,532.92	1,000.00	139.48	2,393.44	None
The Little House of Saint Pantaleon, Philadelphia, Pa., Sept. 30, 1939. France	6,534.87	None	None	6,534.87	None
L'Union Alsacienne, Inc., New York, N. Y., Oct. 28, 1939. France	309.25	None	None	309.25	None
Ruth Stanley de Luze (Baroness de Luze), Briarcliff Manor, N. Y., Sept. 26, 1939. France	1,181.33	1,181.33	None	None	None
The Maryland Committee for the Relief of Poland's War Victims, Baltimore, Md., Oct. 21, 1939. Poland	190.00	None	157.05	32.95	None

* The registration of this organization was revoked on Nov. 21, 1939, for failure to observe rules and regulations.

* The registration of this organization was revoked on Dec. 11, 1939, at request of registrant.

* This registration was revoked on Nov. 16, 1939, at request of registrant.

* The registration of this organization was revoked on Oct. 28, 1939, at request of registrant.

* The registration of this organization was revoked on Dec. 18, 1939, at request of registrant.

* This registration was revoked on Dec. 13, 1939, at request of registrant.

CONTRIBUTIONS FOR RELIEF IN BELLIGERENT COUNTRIES—Continued

Name of organization, city, date of registration, and country or countries to which contributions are being sent	Funds received	Expenditures for relief in countries named	Funds spent for administration, publicity, affairs, campaigns, etc.	Unexpended balance as of Nov. 30, 1939, including cost of goods purchased and still on hand	Estimated value of contributions in kind collected by registrant and sent to countries named
Massachusetts Relief Committee for Poland, Worcester, Mass., Nov. 9, 1939. Poland.	None	None	None	None	None
Medem Committee, Inc., New York, N. Y., Sept. 22, 1939. ¹ Poland.	\$4,291.78	None	\$3,184.89	\$1,106.89	None
Millford, Conn., Polish Relief Fund Committee, Millford, Conn., Nov. 6, 1939. Poland.	143.88	None	8.00	135.88	None
Modjeska Educational League Welfare Club at the International Institute, Toledo, Ohio, Sept. 15, 1939. Poland.	1,871.68	\$1,653.76	217.92	None	None
Mrs. W. Forbes Morgan, New York, N. Y., Sept. 30, 1939. ² Poland.	None	None	None	None	None
Fernanda Wanamaker Munn (Mrs. Ector Munn), New York, N. Y., Nov. 25, 1939. France.	179.00	155.00	24.00	None	\$36.50
New Jersey Broadcasting Corporation, Jersey City, N. J., Sept. 13, 1939. Poland.	None	None	None	None	None
Mrs. Bradford Norman, Jr., New York, N. Y., Oct. 11, 1939. ³ France.	7,530.00	5,107.20	2,375.99	46.81	None
Nowe-Dworer Ladies Benevolent Association, Inc., New York, N. Y., Oct. 25, 1939. Poland.	105.09	None	47.50	57.59	None
Nowiny Publishing Apostolate, Inc., Milwaukee, Wis., Sept. 26, 1939. Poland.	2,349.01	2,150.00	None	199.01	None
Nowy Swiat Publishing Co., Inc., New York, N. Y., Sept. 11, 1939. Poland.	21,765.92	15,000.00	15.10	6,750.82	None
Le Paquet au Front, New York, N. Y., Oct. 6, 1939. France.	30,823.15	22,761.26	5,812.44	2,249.45	236.00
The Paryski Publishing Co., Toledo, Ohio, Sept. 15, 1939. Poland.	3,842.05	3,448.55	None	393.50	None
Poland War Sufferers Aid Committee, Cleveland, Ohio, Sept. 16, 1939. Poland.	13,359.07	13,288.40	70.67	None	None
Polish Aid Association of the Sixth Congressional District including Perham and Browerville, Minn., Little Falls, Minn., Oct. 27, 1939. ⁴ Poland.	156.30	None	6.30	150.00	None
"Fundusz Ratunkowy" Polish Aid Fund Committee of Federation of Elizabeth Polish Organizations, Elizabeth, N. J., Sept. 23, 1939. Poland.	5,520.67	None	None	5,520.67	None
Polish American Central Civic Committee of South Bend, Indiana, South Bend, Ind., Sept. 19, 1939. ⁵ Poland.	5,145.56	None	174.13	4,971.43	None
Polish American Council (formerly the Council of Polish Organizations in the United States of America), Chicago, Ill., Sept. 15, 1939. Poland.	52,445.09	None	396.35	52,048.74	None
Polish Army Veterans Association of America, Inc., New York, N. Y., Sept. 27, 1939. Poland.	1,405.51	None	None	1,405.51	None
Polish Broadcasting Corporation, New York, N. Y., Sept. 23, 1939. Poland.	753.61	None	19.77	733.84	None
Polish Business and Professional Men's Club, Los Angeles, Calif., Nov. 17, 1939. Poland.	None	None	None	None	None
Polish Central Committee of New London, Conn., New London, Conn., Oct. 13, 1939. Poland.	407.35	350.00	11.32	46.03	None
Polish Central Council of New Haven, New Haven, Conn., Sept. 29, 1939. Poland.	707.83	None	None	707.83	None
Polish Civic League of Mercer County, Trenton, N. J., Sept. 19, 1939. Poland.	3,393.99	None	None	3,393.99	None
Polish Civilian Relief Fund, Passaic, N. J., Oct. 27, 1939. Poland.	1,212.68	None	12.00	1,200.68	None
Polish Club of Washington, Washington, D. C., Sept. 14, 1939. Poland.	236.05	213.30	22.75	None	None
Polish Emergency Council of Essex County, N. J., Newark, N. J., Sept. 14, 1939. Poland.	6,578.79	5,500.00	50.75	1,028.04	None
Polish Episcopal Church in the Diocese of Pennsylvania, Philadelphia, Pa., Sept. 25, 1939. Poland.	140.95	None	None	140.95	None
Polish Falcons Alliance of America, Pittsburgh, Pa., Sept. 20, 1939. Poland.	3,142.87	3,142.87	None	None	None
Polish Falcons of America, First District, Inc., Brooklyn, N. Y., Sept. 16, 1939. ⁶ Poland.	None	None	None	None	None
Polish Interorganization Council, Detroit, Mich., Oct. 11, 1939. Poland.	1,686.85	1,686.85	None	None	None
Polish Literary Guild of New Britain, Conn., New Britain, Conn., Sept. 21, 1939. Poland.	1,518.01	None	None	1,518.01	None
Polish Medical Relief Fund of Mount Desert Island, Maine, Bar Harbor, Maine, Sept. 25, 1939. ⁷ Poland.	3,413.15	3,126.80	278.71	7.64	None
The Polish National Alliance of Brooklyn, United States of America, Brooklyn, N. Y., Sept. 19, 1939. Poland.	3,362.16	1,000.00	None	2,362.16	None
Polish National Alliance of the United States of North America, Chicago, Ill., Sept. 27, 1939. Poland.	181,702.44	151,000.00	None	30,702.44	None
Polish National Catholic of the Holy Saviour Church, Union City, Conn., Sept. 16, 1939. Poland.	298.07	298.07	None	None	None
Polish National Council of Montgomery County, Amsterdam, N. Y., Oct. 12, 1939. Poland.	1,045.28	None	106.74	938.54	None
Polish National Council of New York, New York, N. Y., Sept. 14, 1939. Poland.	14,630.88	5,909.20	263.03	8,458.65	23,971.50
The Polish Naturalization Independent Club, Worcester, Mass., Sept. 20, 1939. Poland.	819.70	500.00	7.15	312.55	None

¹ The registration of this organization was revoked on Dec. 4, 1939, at request of registrant.

² This registration was revoked on Oct. 11, 1939, at request of registrant.

³ This registration was revoked on Dec. 31, 1939, at request of registrant.

⁴ The registration of this organization was revoked on Dec. 7, 1939, at request of registrant.

⁵ The registration of this organization was revoked on Dec. 29, 1939, for failure to observe rules and regulations.

⁶ The registration of this organization was revoked on Oct. 12, 1939, at request of registrant.

⁷ The registration of this organization was revoked on Nov. 28, 1939, at request of registrant.

CONTRIBUTIONS FOR RELIEF IN BELLIGERENT COUNTRIES—Continued

Name of organization, city, date of registration, and country or countries to which contributions are being sent	Funds received	Expenditures for relief in countries named	Funds spent for administration, publicity, affairs, campaigns, etc.	Unexpended balance as of Nov. 30, 1939, including cost of goods purchased and still on hand	Estimated value of contributions in kind collected by registrant and sent to countries named
Polish Radio Programs Bureau, Hamtramck, Mich., Sept. 12, 1939.* Poland.	\$19,617.24	\$19,617.24	None	None	None
Polish Relief Association, Town of North Hempstead, Mineola, N. Y., Oct. 19, 1939. Poland	520.40	None	\$38.75	\$481.65	None
The Polish Relief Committee, Baltimore, Md., Oct. 20, 1939. Poland	568.20	None	9.58	558.62	None
Polish Relief Committee, Flint, Mich., Sept. 18, 1939. Poland	2,056.98	1,300.00	414.59	342.39	None
Polish Relief Committee, New Bedford, Mass., Oct. 31, 1939. Poland	1,741.26	None	137.20	1,604.06	None
Polish Relief Committee, Rochester, N. Y., Nov. 8, 1939. Poland	1,734.72	1,000.00	8.58	726.14	None
Polish Relief Committee of Boston, Boston, Mass., Sept. 14, 1939. Poland	3,192.63	1,500.00	69.65	1,622.98	None
Polish Relief Committee of Brockton, Mass., Brockton, Mass., Sept. 25, 1939. Poland	689.59	None	70.74	618.85	None
Polish Relief Committee of Cambridge, Mass., Cambridge, Mass., Sept. 16, 1939. Poland	759.93	None	9.48	750.45	None
Polish Relief Committee of Delaware, Wilmington, Del., Sept. 22, 1939. Poland	1,256.66	1,000.00	15.85	240.81	None
Polish Relief Fund of Fall River, Mass., Fall River, Mass., Nov. 8, 1939. Poland	232.00	None	None	232.00	None
Polish Relief Committee of Gardner, Mass., Gardner, Mass., Sept. 26, 1939. Poland	1,628.47	200.00	484.85	943.62	None
Polish Relief Committee of Holyoke, Mass., Holyoke, Mass., Nov. 4, 1939. Poland	23.50	None	1.20	22.30	100.00
Polish Relief Committee of Jackson, Mich., Jackson, Mich., Nov. 9, 1939. Poland	550.01	None	11.00	539.01	None
Polish Relief Committee of Nassau County, N. Y., Hempstead, N. Y., Oct. 28, 1939. Poland	100.25	None	20.50	79.75	None
Polish Relief Committee of Philadelphia and Vicinity, Philadelphia, Pa., Sept. 12, 1939. Poland	13,774.57	10,000.00	201.67	3,572.90	None
Polish Relief Fund, Detroit, Mich., Sept. 11, 1939. Poland	70,408.88	45,462.03	111.50	24,835.35	\$5,000.00
Polish Relief Fund, Jersey City, N. J., Sept. 12, 1939. Poland	18,029.13	44.25	550.23	17,434.65	None
Polish Relief Fund, Jewett City, Conn., Oct. 3, 1939. Poland	190.40	185.00	None	5.40	None
Polish Relief Fund, Middletown, Conn., Sept. 23, 1939. Poland	2,128.60	None	None	2,128.60	None
Polish Relief Fund, Niagara Falls, N. Y., Oct. 26, 1939. Poland	None	None	None	None	None
Polish Relief Fund Committee of Milwaukee, Milwaukee, Wis., Sept. 26, 1939. Poland	5,844.45	5,000.00	24.01	820.44	None
Polish Relief Fund Committee of Passaic and Bergen Counties, Passaic, N. J., Sept. 22, 1939.* Poland	2,930.12	None	118.67	2,811.45	None
Polish Relief Fund of Irvington, N. J., Irvington, N. J., Sept. 26, 1939. Poland	1,570.93	100.00	None	1,470.93	None
Polish Relief of Carteret, N. J., Carteret, N. J., Oct. 11, 1939. Poland	704.15	None	None	704.15	None
Polish Relief Fund of Meriden, Meriden, Conn., Oct. 12, 1939. Poland	564.73	None	None	564.73	None
Polish Relief Fund of Palmer, Mass., Three Rivers, Mass., Oct. 20, 1939. Poland	448.65	None	36.50	412.15	None
Polish Relief Fund of Syracuse, N. Y., and Vicinity, Syracuse, N. Y., Oct. 31, 1939. Poland	653.22	None	None	653.22	None
Polish Union of the United States of North America, Wilkes-Barre, Pa., Sept. 8, 1939. Poland	549.75	None	None	549.75	None
Polish United Societies of Holy Trinity Parish, Lowell, Mass., Sept. 20, 1939. Poland	3,608.04	1,652.03	149.40	1,806.61	None
Polish War Sufferers Relief Committee (Fourth Ward), Toledo, Ohio, Sept. 21, 1939. Poland	2,760.84	2,716.84	41.13	2.87	None
Polish Welfare Association, Hyde Park, Mass., Sept. 16, 1939. Poland	333.40	None	None	333.40	None
Polish Welfare Association of the Archdiocese of Chicago, Chicago, Ill., Oct. 13, 1939.* Poland	1,536.27	1,536.22	.05	None	None
Polish Welfare Council, Schenectady, N. Y., Sept. 22, 1939. Poland	2,069.89	1,000.00	44.55	1,025.34	None
Polish White Cross Club of West Utica, Utica, N. Y., Oct. 20, 1939. Poland	1,774.11	None	63.66	1,710.45	None
Polish Women's Fund to Fatherland, Lawrence, Mass., Sept. 23, 1939. Poland	2,634.34	None	319.31	2,315.03	None
Polish Women's Relief Committee, New York, N. Y., Nov. 24, 1939. France, Poland, and Germany	1,111.00	None	25.00	1,086.00	None
Polski Komitet Ratunkowy (Polish Relief Fund), Binghamton, N. Y., Sept. 25, 1939. Poland	897.58	None	1.95	895.63	None
Polsko Narodowy Komitet w Ameryce, Scranton, Pa., Sept. 8, 1939. Poland	11,713.02	6,000.00	81.30	5,631.72	None
Pulaski Civic League of Middlesex County, N. J., South River, N. J., Sept. 30, 1939. Poland	367.75	None	85.00	282.75	None
Pulaski League of Queens County, Inc., Jamaica, N. Y., Oct. 21, 1939. Poland	2,958.00	2,000.00	75.00	883.00	None
Refugiés D'Alsace-Lorraine en Dordogne, San Francisco, Calif., Nov. 9, 1939. France	1,210.00	None	None	1,210.00	None
Rekord Printing and Publishing Co., Shamokin, Pa., Sept. 14, 1939. Poland	441.45	441.45	None	None	None
Relief Agency for Polish War Sufferers, Willimantic, Conn., Sept. 29, 1939.* Poland	217.00	None	None	217.00	None
Relief Committee of United Polish Societies, Chicopee, Mass., Oct. 21, 1939. Poland	230.21	None	None	230.21	None

* The registration of this organization was revoked on Nov. 21, 1939, at request of registrant.

* The registration of this organization was revoked on Nov. 21, 1939, because of failure to observe the rules and regulations. However, upon the presentation subsequently of satisfactory assurances that it would comply in the future with all applicable regulations, the organization was permitted to re-register on Dec. 4, 1939, under the same number assigned its previous registration.

* The registration of this organization was revoked on Dec. 18, 1939, at request of registrant.

* The registration of this organization was revoked on Nov. 4, 1939, at request of registrant, and upon application the organization was re-registered on Dec. 18, 1939.

CONTRIBUTIONS FOR RELIEF IN BELLIGERENT COUNTRIES—Continued

Name of organization, city, date of registration, and country or countries to which contributions are being sent	Funds received	Expenditures for relief in countries named	Funds spent for administration, publicity, affairs, campaigns, etc.	Unexpended balance as of Nov. 30, 1939, including cost of goods purchased and still on hand	Estimated value of contributions in kind collected by registrant and sent to countries named
Relief Fund for Sufferers in Poland Committee, Kenosha, Wis., Sept. 25, 1939. Poland	\$1,291.26	\$1,000.00	\$10.70	\$280.56	None
Russian Refugee Children's Welfare Society, Inc., New York, N. Y., Sept. 29, 1939. Germany, France, and Poland	2,317.31	895.00	657.43	764.88	None
The Sacred Heart Roman Catholic Church, Little Falls, N. Y., Little Falls, N. Y., Nov. 2, 1939. Poland	138.00	100.00	1.00	37.00	None
Saint Adalbert's Polish Relief Association, Thompsonville, Conn., Nov. 2, 1939. Poland	353.78	None	None	353.78	None
St. Michael's Roman Catholic Parish, Derby, Conn., Oct. 20, 1939. Poland	163.20	None	None	163.20	None
St. Stephens Polish Relief Fund of Perth Amboy, N. J., Perth Amboy, N. J., Sept. 27, 1939. Poland	3,050.75	None	None	3,050.75	None
Save the Children Federation, Inc. (formerly International Save the Children Fund of America, Inc.), New York, N. Y., Sept. 8, 1939. England and Poland	52.00	None	None	52.00	None
Schuykill and Carbon Counties Relief Committee for Poland, Frackville, Pa., Sept. 15, 1939. Poland	1,351.25	None	None	1,351.25	None
Scott Park Mothers and Daughters Club, Toledo, Ohio, Sept. 25, 1939.* Poland	120.72	103.26	17.46	None	None
Secours Franco-Américain—War Relief, Pittsburgh, Pa., Nov. 20, 1939. France	None	None	None	None	None
Share A Smoke Club, Inc., Ithaca, N. Y., Nov. 14, 1939. England and France	1.00	None	1.00	None	None
Société Française de St. Louis, Inc., St. Louis, Mo., Nov. 15, 1939. France	None	None	None	None	None
Southbridge Allied Committee for Relief in Poland, Southbridge, Mass., Nov. 9, 1939. Poland	293.91	None	20.91	273.00	None
Spanish Refugee Relief Campaign, New York, N. Y., Sept. 20, 1939. France	14,203.71	2,500.61	10,336.49	1,366.61	\$6,036.00
Springfield and Vicinity Polish Relief Fund Committee, Springfield, Mass., Sept. 23, 1939. Poland	424.25	None	3.85	420.40	None
Toledo Committee for Relief of War Victims, Toledo, Ohio, Sept. 19, 1939. Poland	3,233.62	2,800.00	50.00	383.62	None
Tolstoy Foundation for Russian Welfare and Culture, New York, N. Y., Oct. 17, 1939. France and Poland	1,522.23	600.00	458.21	464.02	None
Mrs. Walter R. Tuckerman, Bethesda, Md., Nov. 24, 1939. Great Britain	40.00	None	None	40.00	None
Edmund Tysska, Hamtramck, Mich., Sept. 19, 1939. Poland	1,806.84	1,806.84	None	None	None
United American Polish Organizations, South River, N. J., South River, N. J., Oct. 20, 1939. Poland	1,367.58	1,200.00	None	167.58	None
United Charity Institutions of Jerusalem, New York, N. Y., Oct. 13, 1939. Palestine	7,507.14	4,195.16	3,133.80	178.18	None
United Committee for French Relief, New York, N. Y., Oct. 26, 1939. France	None	None	None	None	None
United Polish Central Council of Connecticut, Bridgeport, Conn., Oct. 16, 1939. Poland	160.95	None	None	160.95	None
United Polish Committees in Racine, Wis., Racine, Wis., Nov. 2, 1939. Poland	610.75	500.00	10.30	100.45	None
United Polish Organizations of Salem, Mass., Salem, Mass., Oct. 20, 1939. Poland	1,220.56	1,000.00	42.95	177.61	None
United Polish Roman Catholic Parish Societies of Greenpoint, Brooklyn, N. Y., Brooklyn, N. Y., Oct. 13, 1939. Poland	1,288.56	800.00	None	488.56	None
United Polish Societies of Bristol, Conn., Bristol, Conn., Sept. 29, 1939. Poland	383.00	None	None	383.00	None
The United Polish Societies of Bronx County, Bronx, New York, N. Y., Nov. 21, 1939.* Poland	None	None	None	None	None
United Polish Societies of Hartford, Conn., Hartford, Conn., Sept. 27, 1939. Poland	1,153.00	None	109.00	1,044.00	None
United Polish Societies of Immaculate Conception Church, Southington, Conn., Oct. 13, 1939. Poland	335.20	None	None	335.20	None
United Polish Societies of Los Angeles, Los Angeles, Calif., Oct. 21, 1939. Poland	1,015.11	1,015.11	None	None	None
United Polish Societies of Manchester, Manchester, Conn., Nov. 9, 1939. Poland	71.00	65.00	5.00	1.00	None
United Reading Appeal for Polish War Sufferers, Reading, Pa., Sept. 22, 1939.* Poland	4,466.75	None	121.30	4,345.45	None
Mrs. Paul Verdier Fund, San Francisco, Calif., Oct. 11, 1939. France	3,753.72	1,159.80	40.45	2,553.47	1,400.00
Ware Polish Relief Fund, Ware, Mass., Nov. 4, 1939. Poland	546.39	None	36.56	509.83	None
The Reverend John Wieloch, Millers Falls, Mass., Sept. 27, 1939.* Poland	None	None	None	None	None
Total	1,272,933.59	645,966.91	67,146.49	559,820.19	44,351.41

* The registration of this organization was revoked on Oct. 23, 1939, at request of registrant.

* The registration of this organization was revoked on Dec. 13, 1939, at request of registrant.

* The registration of this organization was revoked on Nov. 21, 1939, because of failure to observe the rules and regulations. However, upon the presentation subsequently of satisfactory assurances that it would comply in the future with all applicable regulations, the organization was permitted to re-register on Nov. 30, 1939, under the same number assigned its previous registration.

* This registration was revoked on Oct. 24, 1939, at request of registrant.

DETENTION BY BELLIGERENTS OF AMERICAN VESSELS FOR EXAMINATION OF PAPERS OR CARGOES

[Released to the press January 8]

Following is a list of American vessels in addition to the tabulation issued on December 14, 1939, showing the American vessels which have been reported to the Department of State as having been detained by belligerents since September 1, 1939, for examination of papers or cargo.

It was explained at the Department of State that injury to American vessels destined to European ports has not resulted, in the main, from their diversion from the high seas to

belligerent ports. With few exceptions American vessels, for reasons of their own, have put into belligerent ports en route to their destinations, and the principal difficulty thus far encountered by such vessels appears to have arisen in connection with delays incident to the examinations of the vessels and their cargoes before being permitted to proceed on their voyages. Although all cases of detention may not have been reported to the Department, the accompanying statement is as nearly complete as is possible to arrange it.

Name of vessel	Owner or operator	Cargo	Detained	Released
Steel Engineer	Isthmian S. S. Co.		British authorities, Dec. 10, at Gibraltar.	Dec. 11, 1939.
Oakwood	Lykes Bros. S. S. Co.	Mixed, 6 items to be seized.	British authorities, Dec. 20, at Gibraltar. Destination Genoa.	Dec. 23, 1939.
Meanticut	Lykes Bros. S. S. Co.		British authorities, Dec. 17, at Gibraltar.	Dec. 18, 1939.
Excalibur	American Export Lines	Mixed, cotton, coffee, cocoa, flour, etc.	British authorities, Dec. 17, at Gibraltar. Destination Genoa, Naples.	Dec. 31, 1939.
Executive	American Export Lines	Mixed, oil, tinplates, machinery, nickel tubing.	British authorities, Dec. 20, at Gibraltar. Destination Piraeus, Salonika, Istanbul, Constanța. Guaranties received respect to certain items, 6 others still required.	Jan. 3, 1940.
Exilona	American Export Lines		British authorities, Dec. 28, at Gibraltar.	
Oakwood	Lykes Bros. S. S. Co.		French authorities, Dec. 27. Intercepted 15 miles off French coast en route from Gibraltar to Genoa and taken into Villefranche by French naval authorities. Mistake of boarding officer who believed that notation in logbook was an order to proceed to Marseille.	After few hours.
Mormacsun	American Scantic Line		British authorities, Jan. 3, 1940. Intercepted and taken into Kirkwall in combat area.	
Syros	Lykes Bros. S. S. Co.		French authorities.	
Exeter	American Export Lines		British authorities, Jan. 1, 1940, at Gibraltar.	
Nashaba	Lykes Bros. S. S. Co.		British authorities, Jan. 3, 1940, at Gibraltar.	
Exiria	American Export Lines		British authorities, Jan. 4, 1940, at Gibraltar.	
Manhattan	United States Lines		British authorities, Jan. 6, 1940, at Gibraltar.	Jan. 7, 1940.

The American Republics

TRAVEL BETWEEN THE AMERICAN REPUBLICS

Proclamation by the President

BY THE PRESIDENT OF THE UNITED STATES OF
AMERICA

A Proclamation

WHEREAS the exigencies of international conflict may be expected to deter travel by American citizens to the areas involved, and

WHEREAS no such deterrent to travel exists among the friendly nations of the Western Hemisphere, and

WHEREAS it is important that we in the Americas further consolidate our unity by a better knowledge of our own and each others' countries through the instrumentality of travel, and

WHEREAS the facilities of the Government of the United States may well be devoted to the encouragement of so laudable a program

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, do

proclaim 1940 as TRAVEL AMERICA YEAR and do invite our own citizens, and friends from other lands, to join in a great travel movement, so that our peoples may be drawn even more closely together in sympathy and understanding.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this thirteenth day of January in the [SEAL] year of our Lord nineteen hundred and forty, and of the Independence of the United States of America the one hundred and sixty-fourth.

FRANKLIN D. ROOSEVELT

By the President:

CORDELL HULL

Secretary of State.

[No. 2382]

Letter from the Secretary of State to the President of the American Merchant Marine Institute

[Released to the press January 9]

Following is the text of a letter from the Secretary of State to Mr. Frank J. Taylor, President, American Merchant Marine Institute:

"JANUARY 6, 1940.

"MY DEAR MR. TAYLOR:

"I acknowledge your letter of December 19,¹ in which you point out the importance of travel to and from North and South America, the West Indies, and the Caribbean area; and suggest that certain unwarranted fears of the American tourist traveling public have resulted from recent events. This, you point

out, might interrupt that free travel between the American nations which the Good Neighbor policy contemplates.

"In reply let me say that I appreciate fully the desires which prompt you to write. This Government has consistently endeavored to encourage travel between the American countries. The building up of instrumentalities of transportation is, as you say, essential to enhancement of our social, cultural and business relations. In consequence, we are very much concerned at the unnecessary fears which have led some people to curtail tourist or other trips to other American countries.

"This Government is in possession of no information which would indicate that sea travel

¹ Not printed.

on American flag vessels between the American republics and in the Caribbean is unsafe. In fact, I know of no instance in the last four months in which a single American citizen traveling between ports of the American republics on vessels of any of their flags has been subject to any delay or inconvenience because of conditions relating to the conflict in Europe.

"Naturally, in the disturbed state of the world, it is no more possible to guarantee absence of risk on these trips than it is possible to guarantee safety to anyone who starts on an automobile touring trip in this country. But this consideration is always present, and always will be. I hope, therefore, that you will continue to encourage free travel and tours between the various countries.

"Sincerely yours,

CORDELL HULL"

DEATH OF AN AMERICAN CITIZEN ON THE PAN AMERICAN HIGHWAY

[Released to the press January 8]

The American Consul General at Monterrey, Mexico, Mr. Dayle C. McDonough, reported to the Department of State last night that Mr. Charles White Eagle, an American tourist, was shot and killed by a highwayman, January 6, on the Pan American Highway in the State of Tamaulipas about 18 miles south of Linares in the State of Nueva Leon. His wife and Mrs. Keren Jorgensen, who accompanied him, were not injured.

Mr. and Mrs. Eagle and Mrs. Jorgensen resided in the United States at 3028 South State Street, Salt Lake City, Utah.

Commercial Policy

STATEMENT BY THE SECRETARY OF STATE BEFORE THE HOUSE WAYS AND MEANS COMMITTEE²

[Released to the press January 11]

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE: It is always a pleasure for me to appear before the Ways and Means Committee, of which I was myself a member for 18 years. I particularly appreciate the opportunity thus afforded me to discuss with my old friends on the Committee and with its newer members important problems of economic policy, the successful solution of which is essential in promoting the welfare of our Nation and the well-being of our people.

Outstanding among these problems is that of foreign trade and of its essential relationship both to our domestic prosperity and to world peace. This is something with which we are

all deeply concerned. This is something which requires the best cooperative and foresighted efforts of both the legislative and the executive branches of the Government, if the interests of our people are to be properly served. In a matter which is so vital to the Nation, political considerations and partisanship should have no place.

I.

In 1934, our Nation embarked upon the reciprocal-trade-agreements program as an emergency means of meeting grave emergency conditions. In inaugurating that program, the Congress and the Executive were grappling with the pressing needs and deplorable conditions, here and abroad, with which the Nation was confronted.

² Delivered January 11, 1940.

Our country and the world were still facing the difficulties and distress resulting from the worst economic depression of modern times. That great disaster had resulted from many causes, chief among which were the economic policies pursued by the nations of the world, including our own, since the end of the World War.

The 4-year war had taken a frightful toll of suffering and destruction. It had left in its wake profound maladjustments and dislocations. Post-war reconstruction required the fullest possible utilization of the natural resources of the world and of the marvelous achievements of science and technology for the purpose of repairing the ravages of the war and of laying the foundations of economic progress and stable peace. This could have been accomplished only through vigorous and mutually advantageous trade among nations, the only practicable method of bringing within the reach of all nations the advantages of natural resources and of human skills, so unevenly distributed over the face of the earth. Instead, the nations of the world, including our own, entered upon the road of narrow economic nationalism. They built up a constantly extending network of disruptive trade restrictions and, in this manner, piled new and even more painful dislocations upon the profound maladjustments produced by the war.

For a time, the true nature of the situation was obscured by the reckless international borrowing and lending which characterized the first decade after the war. But the unhealthy structure, built on these precarious foundations, was bound to collapse sooner or later and to spread ruin to all phases of economic life everywhere.

The signs of approaching disaster were plainly visible for some time before the collapse actually came at the end of the twenties. In the face of this terrifying prospect, and even after the calamity was already upon us, the statesmen of the world, including our own, made the fatal blunder of resorting to the very thing that lay at the root of the disaster—a still more exaggerated protectionism. Trade

barriers of every kind, old and new, multiplied. Unsalable surpluses became dammed up everywhere. Combined with other factors, the drastic decline of international trade in both volume and value caused the great depression to spread in extent and intensity, with results in terms of widespread human suffering and sacrifice that none of us can ever forget.

Contrary to all theories of autarchy and economic self-containment, the fact is that the domestic prosperity of every country is tied in with the condition of its foreign trade. A collapse of foreign markets inevitably brings with it disorganization and disruption of the domestic economy, as we discovered to our sorrow in the period following the enactment of the Hawley-Smoot tariff. In this country, the ill effects of the collapse of export outlets for the great surplus-producing branches of both agriculture and industry rapidly permeated all branches of our economic life. Even those very industries which thought they were saving themselves by means of embargo tariffs soon discovered that, instead, they merely helped to ruin their own markets right here in the United States.

In those tragic days, when the avalanche of economic dislocations threatened to plunge into chaos our entire economic life, vigorous and bold action was desperately needed in a number of directions. Many measures of a purely domestic character had to be taken to restore employment, to rebuild prices and values, to return to solvency our farms, our factories, our banks, our means of transportation, and all the other phases of our national life. But it was also clear that the hope of attaining full and stable prosperity was utterly futile, unless we could, at the same time, restore our shriveled foreign commerce. At the bottom of the depression, our foreign trade—exports and imports combined—amounted to less than 3 billion dollars a year, as compared with the predepression level of more than 9 billions. Billions of dollars of lost business activity had to be regained, if recovery was to be attained and economic progress resumed.

II.

The disruption of international trade, which brought on the collapse of our domestic economy as well, resulted primarily from the rise of excessive and unreasonable trade barriers. These were of two types: First, higher tariffs, embargoes, quotas, import licenses, exchange controls, and numerous other devices for preventing imports from abroad; and second, various types of discrimination, which caused a diversion of much of what remained of international commerce into unnatural and abnormal channels. Our exports had suffered heavily from both of these types of trade obstructions. Our sales abroad fell from 5.2 billion dollars in 1929 to 1.6 billions in 1932. The exports of other countries to us had suffered heavily from the excesses of our protectionism. Our foreign trade could be restored only through a reduction of these excessive barriers here and abroad.

To accomplish this end, three courses of action were open to us. (1) We could attempt to secure agreement among a large number of nations for a reduction of trade barriers. (2) We could lower our own tariff in the hope that other countries would do likewise. Or (3), we could negotiate mutually beneficial trade agreements with individual countries, based upon a reciprocal reduction of excessive trade barriers.

The first of these methods, under the conditions which prevailed, was impracticable. The second held no certainty of effectiveness, since it offered no assurance that other countries would also move in the direction of reducing trade barriers or trade discrimination. The third was the only practicable method of securing these results. It was the method we adopted, the method embodied in the trade-agreements program.

The action of the Seventy-third Congress in enacting the trade-agreements program was based on the following line of reasoning:

Exports and imports are interdependent: nations cannot sell without buying. The promotion of our exports cannot be divorced from

the treatment we accord to our imports, and vice versa. To induce other nations to mitigate their excessive obstructions to our exports we must, of necessity, stand ready to adjust our own excessive trade restrictions. In a world caught in a net of complex and complicated trade barriers, in a world in which other governments possess means of swift action for dealing with these restrictions, it was obviously necessary for the legislative and the executive branches of our Government likewise to cooperate in order to provide the means of dealing with the emergency.

These basic ideas were translated into the Trade Agreements Act. By empowering the Executive to proclaim modifications of tariff rates and of other methods of regulating imports through the negotiation of executive agreements which provide for improved treatment of our exports by other countries, the Congress recognized the necessity for an emergency agency to deal with a grave emergency condition and created an instrumentality of swift and effective action on our part for the promotion of our foreign trade, admirably suited to the special needs of a disturbed world. In doing this, the Congress carefully defined the policy, the methods, and the limitations of the reciprocal-trade-agreements program and then entrusted to the Executive the duty and responsibility of administering and carrying into effect the provisions of the Trade Agreements Act. These instructions of the Congress were so faithfully carried out and subsequent events so fully vindicated the eminently practical and constructive nature of this method of solving a pressing and difficult problem, that the Seventy-fifth Congress in 1937 extended this authority and responsibility for another 3-year period.

We are now approaching the end of this second period. Your Committee begins today the consideration of the next step. That next step should, obviously, be examined in the light of past experience, as well as of the outlook for the future. I should like, if I may, to place before you my thoughts with regard to both of these aspects of the problem.

III.

The trade-agreements program was enacted for the express purpose of expanding our exports through the reduction of trade barriers in other countries. I submit that it has done so.

We have concluded 22 reciprocal trade agreements. The countries with which agreements are now in effect represent about 60 percent of our total foreign trade. In these agreements, valuable concessions have been obtained for literally hundreds of our agricultural and non-agricultural products. Important foreign markets have been kept open or expanded for our producers of cotton, wheat, corn, hog products, fruits, vegetables, tobacco, lumber, iron and steel semimanufactures, automobiles and trucks, electrical apparatus, machinery of various types, rubber products, textiles, chemicals, paints, hides and leather products, and a host of American specialties.

In the face of grave hindrances growing out of fears of war and preparations for war, the operation of the reciprocal-trade-agreements program had the effect of inducing many important nations to halt their runaway races in the erection of excessive economic barriers to trade and gradually to move in the opposite direction; while still other nations were induced to slow down their efforts to attain economic self-containment. Furthermore, the program was an important factor in bringing about a development of closer general relationships with and among many nations, while it was making its important contribution to income and employment in the United States.

In considering the actual trade results of the program, let me emphasize this fundamental fact: when we secure a reduction of obstructive trade barriers, as we have done in hundreds of instances, we make it easier for our trade to flow. This self-evident fact is studiously ignored by many persons who are constantly seeking to confuse and mislead the public.

Taking the average figures for the years 1934 and 1935 and similar figures for the years 1937 and 1938, we find that our exports to all foreign

countries increased by 1 billion dollars, or 46 percent. This increase was obviously caused by several factors, but the role played in it by the trade-agreements program is suggested by the following figures: Our exports to trade-agreement countries rose, during this period, by 61 percent, while our exports to nonagreement countries increased by only 38 percent.

The effectiveness of the trade-agreements program as an agency for expanding our exports may be measured in another way. The countries with which we have concluded trade agreements have generally increased their purchases of American products more than they have increased their purchases of the products of other countries. For example, in the years 1936-38, the period of the operation of our first trade agreement with Canada, that country's imports from the United States were 42 percent greater than in 1934-35, while its imports from other countries than the United States increased by only 22 percent.

These substantial and welcome increases in our exports resulted, in large measure, from the mitigation of the other countries' trade barriers, to which I have already referred. They were also the result of an undertaking on the part of some countries, which had previously discriminated against our goods, to accord our products nondiscriminatory treatment under the operation of the most-favored-nation principle in its unconditional form, better known as the principle of equality of treatment.

The application of that principle is the only effective means of insuring for our producers a position of equality of treatment in foreign markets. In trade agreements which they conclude with us, the other countries agree to extend to our products, immediately and automatically, concessions granted to third countries. The most-favored-nation clause, inscribed in our agreements, is thus an invaluable insurance policy for our exporters against one of the most injurious obstructions to trade—discrimination in favor of their competitors in other supplying countries.

Under modern trading conditions, when the producers of many countries usually compete in the same markets, such assurance of non-discriminatory treatment is obviously of the greatest importance to our exporters. This fact has long been recognized in our country, as well as the obvious fact that we cannot secure this type of treatment abroad, unless we are prepared to extend it to other countries.

It was because of this that, in 1923, President Harding and Secretary of State Hughes formally incorporated the principle of equal treatment, or most-favored-nation policy in its unconditional form, into the structure of our commercial relations with other nations. Since then, numerous commercial treaties, embodying this principle, were negotiated and were approved by the Senate. It was for precisely the same reason that the principle was retained in the Trade Agreements Act and has been applied in connection with the trade-agreements program.

Congress has repeatedly insisted that we demand unconditional equality of treatment from all other countries, empowering the Executive, if necessary, to impose penalty duties on the goods of countries refusing to accord us equality. I cite as typical instances of this the provisions of the Payne-Aldrich Bill, sec. 317 of the Tariff Act of 1922 passed in the Harding administration, and sec. 338 of the Tariff Act of 1930 passed in the Hoover administration. Of necessity, if our Government is to insist on equal treatment, it must be prepared to accord it to others. That is all that there is to the generalization of concessions under the most-favored-nation policy in its unconditional form, which, as stated, is simply the principle of equality.

When we extend to other countries which do not discriminate against our goods the benefit of concessions granted in individual trade agreements, we thereby insure equality of treatment for our exports over an area far larger than that covered by the trade agreements themselves. This is not a case of giving away something for nothing. So far we have safeguarded in this manner a volume of exports

several times greater than the value of trade on which we have granted generalization of concessions to nonagreement countries. The policy of equal treatment is not only an indispensable means of defending our trade against the blight of discriminatory practices in other countries, but one of the most powerful instruments for placing international trade relations upon a basis of fair dealing and friendliness, without which commerce cannot prosper.

IV.

By enacting the trade-agreements program, the Congress authorized limited adjustments of our tariff rates as a means of promoting our foreign trade through securing similar adjustments of excessive trade barriers in other countries. It was obviously the intent of the Congress that, in the process of negotiating trade agreements, our own domestic producers should be helped rather than hurt. I submit that, in carrying out the program, the executive branch of the Government has willingly and scrupulously complied with this intent of the Congress.

We have reduced duties only in those cases in which, after a most careful examination of all relevant factors, it was found that existing duties were unnecessarily and unduly burdensome, and we have done so only in those cases in which other countries have agreed to accord better treatment to our exports in return for tariff adjustments on our part. We have reduced duties only to the extent to which, after an equally careful examination, it was found that such adjustments would not be prejudicial to any established branch of production in agriculture, in mining, or in manufacturing industry. Where necessary, as an additional safeguard, we have limited the amount of imports which would be permitted to come in at the reduced rate of duty.

In adjusting tariff rates, we have kept well within the limits prescribed by the Congress. We have gone about the matter as objectively and as scientifically as possible, always keeping in mind both the position of the particular

branches of production affected and the interests of the Nation as a whole.

No evidence of serious injury has been adduced in the assertions and allegations which have been put forward by the opponents and critics of the trade-agreements program. Naturally, in some individual cases, producers have had to make adjustments to the new rates. Generally speaking, because of the moderate, painstakingly considered, and carefully safeguarded nature of the duty reduction made in the trade agreements, such adjustments have not occasioned serious difficulty. They have been helped by the general improvement of domestic conditions and expansion of domestic markets resulting in part from the increase of our exports.

In an overwhelming number of cases, allegations of injury in connection with each of the agreements we have negotiated have been made *before* the particular agreement was concluded, at a time when no one, not even those who were engaged in the negotiations, knew whether the duty on a particular commodity would be reduced, and if reduced, to what extent. Frequently, allegations of injury are made with respect to commodities on which existing duties have not been reduced, or with respect to commodities which were left on the free list even by the authors of the Hawley-Smoot tariff. In my entire experience, I do not recall a more flagrant and unscrupulous suppression and misuse of material facts on an issue which is of vital significance to every citizen, every home, every farm, and every factory.

The loudest assertions of injury have been made in connection with agriculture. What are the facts?

Farmers, as all other producers, reckon their well-being basically in terms of the income which they receive. By the end of 1932, after 2½ years of Hawley-Smoot tariff embargoes, farm cash income had declined from 11.2 billion dollars to 4.7 billion dollars. By 1938, after 4 years of the trade-agreements program, it had risen to 7.6 billions, excluding benefit payments. Does this indicate injury?

The most reckless claims have been made in connection with the cattle and the dairy industries. The income of the cattle industry, which had fallen from \$1,495,000,000 in 1929 to \$621,000,000 in 1932, rose to \$1,144,000,000 in 1938. The income of the dairy industry, which had fallen from \$1,844,000,000 in 1929 to \$991,000,000 in 1932, rose to \$1,398,000,000 in 1938. Does this indicate ruin?

It is sometimes asserted that such increases in income do not take into account the devaluation of the dollar. But changes in the purchasing power of the dollar are, of course, measured by prices. Making due allowance for price changes, the farm income in 1938 represented at least 40 percent more purchasing power than did the farm income in 1932.

I do not claim that the recovery of farm income or the rise of the national income in general from 40 billions in 1932 to 64 billions in 1938 and 68.5 billions in 1939, was wholly attributable to improvement in our foreign trade which has occurred under the trade-agreements program; numerous influences combined to bring this about. But I do maintain that the increase of our exports has been a factor of great importance in this connection, just as the catastrophic decline of trade under the Hawley-Smoot tariff had unquestionably contributed powerfully to the general economic collapse of the early thirties.

Some light is shed on the present situation by the fact that many of those who are now insisting upon advising American agriculture in opposition to the reciprocal trade policy, which has demonstrated its benefits to agriculture, were among the identical persons who advised the farmers in 1930 that the Smoot-Hawley Act would bring them permanent prosperity, whereas under such advice the farmers of this nation were piloted straight into unprecedented bankruptcy. I dare say that the farmers will think twice before accepting a second time such reckless advice, supported by still more reckless statistics.

V.

The reason why no evidence of material injury to our farmers or to any other group of

producers, resulting from the operation of the trade-agreements program, can be adduced is that no such injury has, in fact, occurred.

During the period of operation of the trade-agreements program, increases have occurred in both our exports and our imports. Taking the average figures for the years 1934 and 1935 and the years 1937 and 1938, we find that while our exports rose by 1 billion dollars, our imports increased by 671 millions. In 1937 and 1938, the excess of exports over imports averaged 700 million dollars. In 1939, the picture has been approximately the same.

The trade-agreements program has expanded markets at home and abroad for all groups of producers. This result has been due primarily to the method employed in carrying out the program.

I am sure that I do not need to describe that method in detail. It has been in operation for 5½ years. Its results are embodied in the reciprocal trade agreements negotiated to date. Let me recall to your minds its main features.

An interdepartmental organization, consisting of experienced and well-informed practical experts of the Departments of State, Agriculture, Treasury, and Commerce, and of the Tariff Commission, handles the preparation and negotiation of the trade agreements. All interested parties are given ample opportunity to present their views, orally or in writing, with respect to every phase of the program. No decision is reached with regard to action on any particular customs duty without an extended and profound study of all pertinent data, both those assembled by the interdepartmental organization itself and those presented to the organization by the interested parties—the producers, the consumers, and the merchandisers of the commodity involved, and anyone else who feels that he or she has an interest in the proceedings. The results are reviewed by the responsible heads of the departments of Government participating in the work and, finally, by the President.

The work of the interdepartmental organization in connection with a particular agreement does not cease with the proclamation of the

agreement. The operation of the agreement is under constant review in every phase. The interdepartmental organization is always ready to receive representations from the interested parties regarding any aspect of the agreement. It is prepared to act whenever new circumstances warrant.

I invite any person to show a single instance of general tariff readjustment either upward or downward, in the entire fiscal history of the Nation, wherein there has been exercised as much impartiality, care, and accuracy as to facts as has uniformly characterized the negotiation of our 22 trade agreements—or any more solicitude for the welfare of agriculture, labor, business, and the population of the country in its entirety.

The method under which we have been negotiating trade agreements is democratic in every sense of the word. It is a method under which no interested party is denied a full hearing and under which all representations are given the most careful study. It is a method under which the immensely difficult and complex task of promoting general prosperity through stimulation of foreign trade without material injury to any domestic producers—a technical task which can be performed only by impartial and qualified experts—is handled by such experts, within definite limitations laid down by the Congress. It is a method under which the Congress reserves its basic prerogatives, while putting into operation temporarily the most effective means that can be devised to meet a grave emergency situation through cooperation of the legislative and executive branches of the Government. The powers given to the Executive are strictly limited in both scope and duration. I am glad at this time to report on the manner in which we, who have been entrusted by the Congress with a difficult and responsible task, have sought to perform it.

VI.

I should now like to turn to another aspect of the problem. There are some who claim that we have gone too far in tariff adjustment in our efforts to expand trade. There are oth-

ers who think that we have not gone far enough. To all such critics I would say that they have failed to take into consideration all the various and complicated aspects of the problem. There is nothing paradoxical in my statement that the duty adjustments we have made have not been such as to prejudice the interests of our domestic producers and yet have been sufficiently attractive to other countries to enable them to grant us valuable concessions for our exports. Many of the commodities with respect to which duty adjustments have been made are of a type of which we do not produce quantities sufficient for our needs, notwithstanding that we have long imposed extremely high tariffs on most of them. Again, many imported commodities are so different in grade, quality, price, or marketing season from commodities produced in this country that reasonable reductions of existing duties on them help foreign producers and benefit our consumers without hurting our producers. All of these imports, while being useful and beneficial to our people, provide our foreign customers with the means of paying for our burdensome surpluses.

This situation is frequently confused by the use of misleading slogans designed to deceive us into a disastrous policy of complete embargoes which would destroy both our foreign and our domestic markets. The size of the American market depends upon the Nation's purchasing power which, in turn, depends upon the volume of business activity—that is to say, farm production, factory production, employment, and all the other factors which create the Nation's purchasing power. There is a direct and unmistakable connection between business activity and the volume of exports. Our cotton belt, our tobacco belt, our wheat belt, our corn-hog industry, our fruit and vegetable growers, our lumber producers, our machine manufacturers, and many other branches of our production cannot prosper unless they have adequate foreign markets for their surplus output. Deprive them of such markets, and their purchasing power shrinks, and with it, the whole Nation's purchasing power declines.

Let me cite again the cases of dairy products and of cattle. The dairy industry supplies over 99 percent of the domestic market. The cattle industry supplies from 95 to 98 percent of the domestic market. Under a system of complete embargoes, these two industries would have 100 percent of the home market, but it would be a vastly reduced market, disorganized and shrunken as a result of the destruction of purchasing power in the hands of the exporting industries and the consequent curtailment of the Nation's purchasing power.

Under a system of complete embargoes, we would take out of cultivation four times as many acres as we could put into cultivation by attempting to produce the agricultural commodities we now import. That, as Secretary Wallace once said, would be like trading dollars for quarters.

To be sure, there would be no sense at all in our going to the other extreme and throwing our domestic market open to foreign competition without any regard to the effects of such action upon our domestic producers. There is a middle ground between these two extremes. There is a way of clearing the underbrush of excessive protectionism and, in the process, stimulating rather than impairing the healthy growth of our national economic activity for the good of all of its parts.

That is the crux of our effort. It requires caution and infinite care. Our task is to correct the errors of the past without producing new dislocations. Our aim is to pave the way for expansion and progress, not to tear down what must be preserved if expansion and progress are to be made possible.

VII.

It is necessarily a slow process. In a world headed steadily in the direction of narrow nationalism, with all its attendant disasters for the well-being of our country and of all countries, we have taken a position of leadership in an effort to reverse this fatal trend. Our work has borne tangible fruit during the 5½ years of the operation of the trade-agreements

program. But the stupendous task involved was only partly completed when a widespread war again broke out. That calamity has imposed upon us new tasks and new responsibilities.

While hostilities are in progress, it is necessary for us to defend our export trade from the inroads of war-time controls and dislocations. For this purpose, the trade agreements now in effect are of inestimable value. The scope for going forward with the program during the war is naturally restricted. But the need for facilitating trade and for keeping alive the principles which underlie the trade-agreements program is of crucial importance. For our actions now will have an enormous influence upon the problems of economic reconstruction when hostilities have ceased.

The experience of the two decades which elapsed between the end of the World War and the outbreak of a new war in Europe has brought out in sharp relief the validity of two basic propositions. The first of these is that our Nation, and every nation, can enjoy sustained prosperity only in a world which is at peace. The second is that a peaceful world is possible only when there exists for it a solid economic foundation, an indispensable part of which is active and mutually beneficial trade among the nations. The creation of such a foundation is the second of the two primary objectives of the trade-agreements program, which seeks the advancement of our domestic prosperity and the promotion of world peace.

The establishment of sound international trade relations will be an essential problem of post-war reconstruction. What role will our country play in this process?

In the years following the World War, we led the procession of destructive protectionism. Are we to play this same role again?

That would be the case if we were now to abandon the trade-agreements program. For it would be the equivalent of destroying the only policy which stood in the recent past, and can stand in the immediate future, as a bulwark against a complete reversion to policies under which the channels of trade will become

more and more blocked and the nations of the world will continue their disastrous march toward increasing economic nationalism, regimentation, economic distress, the dole on an ever-growing scale, social instability, and recurrent warfare. Under such conditions, there can be no enduring peace and no sustained prosperity for our Nation.

The trade-agreements program has served us well during a period of national emergency. It has enabled us to expand our foreign trade without introducing far-reaching governmental controls, such as have been employed in many other countries.

The world needs today and will need increasingly tomorrow the surplus production of our agriculture and industry, just as our farmers and our workmen and our businessmen need foreign markets for the maintenance of their prosperity. The choice before us is whether we shall throw away these precious opportunities by abandoning the trade-agreements program, or whether we shall keep ready for use, whenever possible, the necessary means of prompt and effective action provided by the program. The choice before us is whether we shall lead the way toward the slough of despair and ruin for ourselves and for others, or toward the heights of economic progress, sustained prosperity, and enduring peace for our Nation and for the world.

VIII.

Before I finish, I should like to say this. If there were any suspicion in my mind that the trade-agreements program hurts rather than benefits our people, I would be the first to abandon it. I have searched diligently and painstakingly the mass of evidence on all phases of this vital question, and I am firmly convinced that it proves overwhelmingly the beneficial nature of the trade-agreements program and points unmistakably to the dangers inherent in an abandonment or weakening of that program.

I have sought to place before you some of this evidence. My associates in the Department

of State and the representatives of the other departments and agencies participating in the

trade-agreements work are ready to supply you with any further information you may desire.

EXTENSION OF THE RECIPROCAL TRADE ACT

Address by Assistant Secretary Grady³

[Released to the press January 12]

The Trade Agreements Act was passed in June 1934 to meet the emergency facing our foreign trade. It came up for renewal in 1937, and Congress approved its continuance by a larger vote than that by which it was originally passed. It is now before Congress for a second renewal for a 3-year period.

The emergency which our foreign trade faced in 1934 was a serious one. Between 1929 and 1932 our foreign trade had dropped from over 9½ billion dollars to less than 3 billion dollars. Our loss in exports was over 3½ billion dollars. This condition of our trade was reflected in a demoralized condition of agriculture, which has always depended for its prosperity on foreign outlets.

In the pre-war days, more than one-half of our export trade was made up of our great agricultural staples. The decline of foreign markets for these staples meant depressed prices and farm bankruptcy. The condition of agriculture in 1932 was desperate, notwithstanding the fact that the Hawley-Smoot Tariff Act of 1930 had been passed expressly for the purpose of aiding agriculture through increased protectionism. The passage of that act, based on economic fallacies, was a tragic mistake. There was no reason to expect that the raising of embargo tariffs around the home market would provide adequate markets and satisfactory prices for an industry like agriculture which has to compete in world markets and against world prices. It had, of course,

the very opposite effect. By curtailing imports and thereby the ability of foreign countries to buy American products, we stopped up the foreign outlets for our exports. This in turn resulted in a shrinkage in the domestic market, for the ability of the owners and workers in the export industries to buy in the home market was also curtailed. Agriculture thus suffered a twofold injury from the Hawley-Smoot tariff.

Since the trade-agreements program was put into operation in 1934, agreements with 20 countries have been made in which increased market opportunities have been secured for agriculture and industry. These increased market opportunities have been secured on the basis of reciprocity. We have adjusted our tariff rates in exchange for the adjustment of the tariff rates and other trade restrictions of countries which are customers for our products. It has been essential that this program be operated on the basis of reciprocity because of the excessive development throughout the world of restrictive nationalistic trade policies which have resulted in greatly increased barriers to trade. It must be observed in passing that no small factor in the development of such policies and consequently in the increase in trade barriers was our own ill-advised action in passing the high Hawley-Smoot Tariff Act of 1930. In our more recent policy of corrective adjustment it has been necessary for us to bargain for the lowering of the barriers against our trade, but we have not adjusted any tariff rates to the detriment of American producers; yet by these reciprocally negotiated adjustments we have been slowly but steadily winning back the lost markets for our staple

³ Delivered on the "Town Hall of the Air" program over WJZ in New York City and the network of the National Broadcasting Co., January 11, 1940.

agricultural products. In spite of this the charge is made, and I am sure my good friend, Mr. Taber, will make it here this evening, that agriculture has received a net injury from this program.

In fact, Mr. Taber has frequently stated publicly in effect that trade agreements encourage floods of agricultural imports, displacing American farm products in the home market, and thus depress domestic prices and the incomes of American farmers.

As a distinguished statesman from this great city likes to say, "Let's look at the record." The facts are that the farmers of this country have secured extremely valuable benefits through the safeguarding and expanding of foreign markets for our farm surpluses. Agricultural exports were 662 million dollars in 1932 and 828 million dollars in 1938.

Moreover, agriculture stands to gain important benefits in the home market as the result of increased activity in our nonagricultural export industries. This fact is stressed by Mr. T. W. Schultz in his study of the effects of trade agreements on American agriculture prepared for the American Farm Bureau Federation. He states as follows:

"We found for example that the total output of farm machinery increased in value from 1935 to 1937 over \$273,000,000 of which about 16 percent resulted from increased exports. Our guess is that purchases of foodstuffs increased around \$1,225,000 to \$1,645,000 as a result of the rise in pay rolls ascribable to the larger exports. Similarly for automobiles and motor vehicles we hazarded the guess that expenditure on foodstuff rose around \$2,300,000 to \$3,300,000 because of the expansion in automobile and motor vehicle exports from 1935 to 1937; for rubber products the equivalent figure for measuring the increase in the purchases of food ran around \$525,000 to \$695,000; and, for primary iron and steel products between \$4,566,000 and \$5,502,000 more was spent to buy foodstuff because of the larger pay rolls resulting from the increase in exports of iron and steel."

The trade agreements thus far concluded are with countries which take about 60 percent of our total exports. In these agreements we have obtained valuable concessions, including binding of duty-free entry, for 47 percent of our exports of farm products to all countries. These concessions cover about three-fourths of our exports of farm products to the trade-agreement countries themselves. To take a specific case, the corn-hog industry is again becoming heavily dependent on export outlets. Concessions facilitating our exportation of pork, ham, and bacon have been obtained from 13 countries. On lard nine countries have reduced barriers, while three countries have agreed not to impose new restrictions. In the British agreement the preferential duty against lard was removed—a preferential duty imposed, by the way, in retaliation against our Hawley-Smoot tariff. On grains and grain products barriers against our trade have been lowered in all but five of the agreements now in effect, and in three of the remaining five agreements we have received assurances of favorable treatment. The British in their trade agreement with us last year removed the duty on wheat and bound free-entry on corn and cotton. Our trade in fruits, both fresh and dried, and vegetables has been covered by concessions in nearly all the agreements so far consummated.

As to the results of these concessions, it may be noted from statistics of trade that between 1935 and 1938 our exports of farm products to trade-agreement countries increased by nearly 50 percent, whereas to other countries they actually declined slightly. All this has been accomplished despite world conditions adverse to the development of international trade.

On the other hand, there is no evidence of the import flood of farm products to which Mr. Taber and his associates have at times referred.

There have, of course, been increases in imports of farm products on which duties have been modified. These have been accompanied for the most part, however, by an expanding home market and rising prices for the domestic product involved. Because the opening up of

export markets stimulates domestic business, it is possible under the trade-agreements program to increase imports and at the same time to increase the income of American farmers. Farm income, exclusive of Government payments, has increased by approximately 3 billion dollars since 1932. Not only is agriculture better off, but even branches of agriculture in respect of which duties have been lowered have prospered. The duty was lowered on cheese in the Canadian agreement which became effective January 1936. The farm income from cheese was \$91,000,000 in 1936 as compared to \$47,800,000 in 1932. In 1937, it increased to \$96,500,000. There were similar developments in the case of lumber, cattle, and other products on which duties have been lowered. In the case of the cattle industry, income was about a billion and a quarter dollars greater in 1938 than in 1932. It may be noted that in pointing out certain increases in farm income, the year 1932 has been taken as the base year. At that time, the Hawley-Smoot tariff, which was intended to benefit agriculture, had been in operation for 2 years. It was a factor which was partly responsible for, and which aggravated, the depression in which the country found itself in 1932. No person of sound mind could claim that it aided agriculture. On the other hand, it has been claimed that the trade-agreements program has harmed agriculture. The facts, however, do not support this contention.

Again referring to the record, we find that our so-called agricultural imports are largely noncompetitive. In 1938 our so-called agricultural imports amounted to 956 million dollars, but this included commodities like rubber, coffee, tea, cocoa, and silk. These, of course, are not even produced in the United States. The rest of our agricultural imports consist of products which are considered competitive with domestic products. The fact is, however, that such imports, consisting of sugar, wool, hides, and other articles, supplement domestic production which is not adequate for meeting our own needs, notwithstanding the existence in many cases of high protective duties.

As a matter of fact, the American farmer enjoys 93 percent of the American market. This is more than he enjoyed in 1929, when the corresponding figure was 90. This does not indicate that the American market is being flooded with foreign competitive agricultural products. If our farmers would have, as I understand Mr. Taber desires them to have, 100 percent of the domestic market, they would need to go into the production of coffee, rubber, silk, and bananas. Of course, these commodities could be produced in the United States if we wanted to use hothouse facilities on an extensive scale and had no regard whatsoever for costs.

If the American farmer insists on having the American market exclusively to himself, he will cut off his opportunity to secure export business so vitally necessary to the well-being of agriculture in this country.

Secretary Wallace has stated that the complete elimination of agricultural imports would represent the production of approximately 10 million acres, whereas the loss of export markets would put out of production 40 million acres. The trading off of foreign markets for our farm products for the home market for foreign farm products would, as he pointed out, be like swapping dollars for quarters.

Although Mr. Taber's organization, the Grange, opposes this program without offering anything in its place but some alluring generalities, two other farm organizations, the Farm Bureau Federation and the Farmers Union, the former of which is by far the largest farm organization in the country, have consistently supported this program as an aid to the solution of the agricultural problem.

The Farm Bureau Federation has had a disinterested economist study each of the agreements now in effect from the standpoint of American agriculture. His reports have shown that agriculture has definitely benefited from the program.

One of the most active groups fighting the trade-agreements program is the dairy group. One might presume that the dairy industry is being greatly injured by the trade-agreements

program. This industry has practically the whole domestic market. It has more of the domestic market than it had in 1929. It enjoys, in a word, 99½ percent of the home market. The purpose of the representatives of that industry in Washington is presumably to get that one-half of 1 percent. There appears to be complete disregard of the interests which the producers of dairy products have in increased export markets for American products. The benefits which the dairy industry is in a position to gain from the trade-agreements program are of a twofold nature. In the first place, the general stimulus to domestic business and the increased employment of American workers resulting from an expansion of our foreign markets means an increase at home in the purchases of dairy products. A statistical comparison between dairy income and general business conditions shows that activity in the dairy industry is very closely related to general economic activity. In the second place, as export outlets are opened up for our surplus agricultural commodities, there is less tendency for our export-producing farmers to go into dairying with a resulting depression in dairy prices.

Another industry whose leaders are active in opposing the program—the cattle industry—enjoys about 96 percent of the American market. Since 1923 they have enjoyed on the average 97 percent of the domestic market. When domestic prices are high, the percentage of our consumption of cattle which is imported increases; when prices are low, imports are relatively few. In 1929, cattle imports amounted to 6 percent of domestic production, in 1932, 1 percent. Imports have in fact had a stabilizing influence on fluctuations in cattle prices. Prices were very high in 1937 and cattle imports increased. They did not increase enough, however, to prevent a buyers' strike on meat products. Large sums of money then had to be spent by the meat interests at that time on advertising and other measures to woo back the consumer.

The corn producers have 100 percent of the domestic market, except in drought years when they have had only 98 percent and 99 percent of the market. Pork producers have 99 percent of the domestic market.

There is definite evidence to show that agriculture has benefited substantially from the trade-agreements program, and there is no evidence which has been brought to my attention to indicate that farm income has been adversely affected as the result of the program. Similar facts might be pointed out with reference to manufacturing and other industries. I have assumed, however, that Mr. Taber, as head of one of the three large agricultural organizations of this country, is particularly interested in the effects of trade agreements on agriculture, and I have therefore limited my participation in the discussion with him this evening to this aspect of the subject.

I am sure that Mr. Taber and his associates are perfectly sincere in their position, but I do think that they have failed perhaps to consider carefully the facts. They probably have accepted without much questioning the plausible but false conclusion that it is not possible to effect tariff adjustments without injuring the industries concerned. Apparently, they have overlooked the significance of the fact that increased market opportunities in this country for foreign goods are granted only in return for similar opportunities abroad for our products and that the opening up of trade in this manner stimulates domestic business and makes possible careful adjustments in our import duties without injurious effects on anyone.

I am sure that after our discussion this evening Mr. Taber will gather his associates together to review their position, that they will find they have been wrong, and that they, like honest, patriotic Americans, will reverse their position of opposition to this program and urge Congress to renew the act for another 3-year period so that the administration in Washington can continue to deal with the emergency in which agriculture still finds itself.

CORRESPONDENCE BETWEEN THE SECRETARY OF STATE AND THE PRESIDENT OF THE AMERICAN FEDERATION OF LABOR

[Released to the press January 8]

Following are the text of a letter from the Secretary of State to President William Green of the American Federation of Labor and President Green's reply:

"JANUARY 8, 1940.

"MY DEAR PRESIDENT GREEN:

"I notice in a number of the morning newspapers of today headlines and implications to the effect that the American Federation of Labor has expressed its opposition to the reciprocal trade agreement program and to the further continuance of the entire program, together with existing trade agreements negotiated under it.

"I shall thank you to inform me as to whether this correctly represents the official position of the American Federation of Labor.

"Sincerely yours,

CORDELL HULL"

"AMERICAN FEDERATION OF LABOR,

WASHINGTON, D. C.,

January 8, 1940.

"MY DEAR SECRETARY HULL:

"I am pleased to reply to the inquiry submitted in your esteemed favor dated January 8th. The headlines and implications appearing in a number of newspapers this morning to the effect that the American Federation of Labor has expressed its opposition to the reciprocal trade agreement program, and to the further continuance of the entire program, are incorrect. No such action as set forth in the headlines referred to has been taken.

"I express regret that the misleading headlines referred to were published in a number of the morning newspapers.

"Very sincerely yours,

WILLIAM GREEN"

♦ ♦ ♦ ♦ ♦

TERMINATION OF TRADE-AGREEMENT NEGOTIATIONS WITH ARGENTINA

[Released to the press January 8]

Following is a joint statement by the Governments of the United States and Argentina:

"In the reciprocal trade negotiations between the Governments of the United States and Argentina, notwithstanding the efforts of both parties, it has not been found possible to reach a satisfactory basis to permit the conclusion of an agreement, and the two Governments have agreed to terminate them.

"In effect the Argentine Government on the one hand has not been able to admit that concessions to be obtained from the United States for their typical, regular export products to that country, such as linseed and canned beef, among others, should be restricted through the acceptance of a system of customs quotas which would tend to limit the possibility of ex-

panding its shipments of said products to that country. At the same time it has not been possible to accede to the adoption of commitments considered incompatible with an adequate financial policy and of the defense of the currency.

"On the other hand, the Government of the United States, in accordance with its policy as invariably applied in the 22 agreements already negotiated, of not exposing domestic producers to material injury in the process of promoting healthy international trade through reciprocal concessions, has felt obliged to insist on limitations of the kind referred to above with respect to certain commodities.

"This divergence between the two Governments is recognized by both in the same frank and friendly spirit which has characterized the whole negotiations."

TERMINATION OF TRADE-AGREEMENT NEGOTIATIONS WITH URUGUAY

[Released to the press January 9]

The Department of State has announced that trade-agreement negotiations with Uruguay have been terminated. These negotiations have been conducted in an atmosphere of the utmost friendliness and cordiality. However, because

of the similarity in important respects of the export trade of Uruguay and Argentina with the United States, it has been found necessary, in view of the recent termination of negotiations with Argentina, to terminate also the negotiations with Uruguay.

♦ ♦ ♦ ♦ ♦

ANALYSIS OF TRADE WITH CANADA, 1936-1938

[Released to the press January 7]

The more rapid increase in Canadian imports from the United States of products on which Canadian duties were lowered in the first trade agreement between the United States and Canada, as compared with Canadian imports of other United States products, is evidence of the extent to which the reduction of excessive trade barriers tends to stimulate mutually advantageous trade. According to an analysis released January 7⁴ by the Department of State, Canadian imports of reduced-duty products from this country averaged 58.2 percent higher during the 3-year period 1936-38 as compared with 1935, the pre-agreement year, while Canadian imports from the United States of products on which no reductions were made in the Canadian duties increased by only 22.1 percent. Canada's total imports from the United States increased on the average by 38.5 percent during the 3-year period under the first agreement.

The first agreement with Canada, signed on November 15, 1935, and effective on January 1, 1936, was superseded by a new agreement signed on November 17, 1938, and effective on January 1, 1939. In the new agreement, the reciprocal concessions contained in the first agreement were, with a few insignificant exceptions, continued and extended. Trade data available since the conclusion of the new agreement with Canada are not yet adequate for a

general appraisal of the effects of that agreement.

In 1938, Canadian imports from the United States of 424 million dollars were greater by 115 million dollars than in 1935. Imports of reduced-duty products increased by 77 million dollars. The 1938 imports from the United States were lower than in 1937 but did not decline as much as Canadian imports from other countries. Other factors such as general business activity in the United States and Canada also influenced trade movements, according to the analysis.

Among the many reduced-duty products for which Canadian imports were substantially larger in 1938 than 1935 are:

- Fresh fruits and vegetables
- Wheat and other grains
- Salted pork, bacon, hams, shoulders, and other cured pork
- Printed or dyed cotton fabrics
- Newspapers, advertising pamphlets, and other printed matter
- Various petroleum products
- Automobiles and trucks
- Farm implements and machinery
- Metal-working, printing, and mining machinery
- Electric motors, radio apparatus, and other electrical machinery.

In contrast to the general decline in total Canadian imports in 1938, imports from the United States of the following reduced-duty products were larger in 1938 than in any other of the 3 preceding years: Nuts, onions, and

⁴ Post, p. 45.

tomatoes; wheat and other grains; bacon, hams, and shoulders; boots, shoes, and slippers of leather; printed matter; farm implements and machinery; and gasoline.

Canada also increased its imports in 1938 as compared with 1935 of certain leading non-agreement products, such as books, iron and steel sheets and plates; well-drilling machinery of a kind not made in Canada; automotive parts for use by Canadian manufacturers of automobiles; coal, coke, and products; crude petroleum and certain petroleum products.

United States imports from Canada averaged 19.8 percent greater in 1936-38 than in 1935, although imports from Canada in 1938 were lower than in 1935, 1936, or 1937. More plentiful domestic agricultural supplies coupled with slack industrial demand and lowered consumer purchasing power accounted for most of the falling off in the United States imports from Canada in 1938.

The leading imports from Canada which were lower in 1938 than in 1935 were: Whiskey (on which the United States duty was reduced in the first agreement); by-product feeds, shingles, and wood pulp (on which the existing United States tariff treatment was bound against increase); and, among products on which no action was taken in the first agreement, barley and barley malt, corn, and wheat both for processing and export and for domestic use. Although lower than in 1937, the value of imports of the following Canadian products in 1938 was about the same as in 1935: Cattle, except for breeding; fresh-water fish and eels; boards and timber (on certain categories of which United States duties were reduced); and unmanufactured asbestos and calcium cyanamide (on which the existing duty-free entry was bound against change).

The annual values of Canadian imports from the United States and United States imports from Canada for the past 4 years are given in the following table:

Year	Canadian imports for consumption from the United States	United States imports for consumption from Canada
1935-----	\$308, 509, 000	\$286, 112, 000
1936-----	367, 413, 000	377, 576, 000
1937-----	489, 997, 000	394, 241, 000
1938 (preliminary)---	424, 008, 000	256, 647, 000

Further details regarding United States trade with Canada during the 3 years of the first trade agreement between the two countries are contained in the analysis released by the Department.⁵

In addition to the reciprocal concessions contained in the first agreement, which were, with a few insignificant exceptions, continued and extended in the new agreement, the new agreement also incorporated an undertaking by the Canadian Government to exempt from its 3 percent excise tax, products on which the United States obtained scheduled concessions. Canadian legislation, effective April 26, 1939, removed this 3 percent tax not only on scheduled products but also on all products imported from the United States.

United States exports to Canada in the early months of 1939 were below the same months of 1938. Following the removal of the Canadian 3 percent excise tax, 1939 exports to Canada increased very rapidly, and preliminary data show that for the 10 months of 1939 exports to Canada were practically equal to exports during the same period of 1938.

Reflecting in part increased business activity in the United States in 1939, imports from Canada this year have exceeded 1938 imports, both month by month and for the cumulated period to date. Complete detailed data are as yet not available to permit an estimate of the effect of the present agreement upon this movement of trade.

⁵ See *Press Releases* of November 23, 1935 (Vol. XIII, No. 321), pp. 388-442.

ANALYSIS OF UNITED STATES-CANADIAN TRADE
DURING THE THREE YEARS, 1936-38, OF THE
FIRST TRADE AGREEMENT BETWEEN THE
UNITED STATES AND CANADA

In the 3 years 1936-38, during which the first trade agreement between the United States and Canada was effective, Canadian imports for consumption from the United States averaged 427 million dollars a year and were 38.5 percent greater than in 1935, the year before the agreement became effective.^{*} Canadian imports of United States products in 1938, valued at 424 million dollars, were 115 million dollars greater than in 1935. In 1936, Canadian imports from the United States amounted to 367 million dollars and in 1937 to 490 million dollars. Although Canadian imports from countries other than the United States declined by 20.6 percent from 1937 to 1938, reflecting in part a decline in Canadian business activity, imports from the United States declined by only 13.5 percent.

The value of United States imports for consumption from Canada in the 3 years 1936-38, averaging 343 million dollars, were 19.8 percent greater than the value of such imports in 1935. During 1938, the United States imports from Canada, valued at 257 million dollars, were 10.3 percent less than in 1935 and were substantially below imports of 376 million dollars in 1936 and 394 million dollars in 1937. The decline of 34.9 percent in United States imports from Canada in 1938 as compared with 1937 paralleled the decrease of 35.2 percent in total United States imports during a period when United States industrial production averaged 22 percent lower.

In addition to the concessions exchanged in the agreement, various other factors, of course, contributed to the movement of trade between the United States and Canada during the 3 years 1936-38. Through their effect upon price

levels and demand conditions, increases and decreases in the level of business activity in both countries caused corresponding changes in the volume and value of imports. Fluctuations in domestic agricultural production in the United States was also of major importance. As a result of the droughts of 1934 and 1936 in the United States, there was great pressure to import certain agricultural products into the United States in 1935, 1936, and part of 1937. During the same period, United States producers, with no exportable surplus of a number of agricultural products, were unable to take full advantage of the lower Canadian duties. Unfavorable growing conditions in the prairie provinces of Canada also undoubtedly affected Canadian imports and exports of certain agricultural products during this period.

It is significant, however, that Canadian imports from the United States of products on which Canada lowered its tariffs, increased relatively more than total Canadian imports from the United States, both on the average for 1936-38 over 1935, and for 1938 over 1935. Also, Canadian imports of such products from the United States in 1938, as compared with 1937, declined relatively less than total imports from the United States.

CANADIAN IMPORTS FROM THE UNITED STATES

The lower trade barriers which the United States obtained from Canada applied to hundreds of products which that country imports from the United States. On the average for the 3-year period, 1936-38, Canadian imports of such products, totaling 190 million dollars, were 58.2 percent greater than in 1935. During 1938 such imports, valued at 197 million dollars, were 8.4 percent less than in 1937 but were materially above imports valued at 120 million dollars in 1935 and 156 million dollars in 1936.

Canadian imports were substantially greater in 1938 than in 1935 for many of the United States products on which Canadian duties were lowered by the agreement.

^{*} Because of transshipments and other technical difficulties, Canadian import data provide a better measurement of American goods going into Canada than do United States export data.

Among such products were: Certain fresh fruits and vegetables, such as grapefruit, lettuce, onions, and tomatoes; wheat and other grains and grain preparations; salted pork, bacon, hams, shoulders, and other cured pork; printed or dyed cotton fabrics; newspapers, advertising pamphlets, and other printed matter; automobiles and trucks; farm implements and machinery; metal-working, printing, and mining machinery; electric motors, radio apparatus, and other electrical machinery; and various petroleum products.

Although Canada's 1938 imports of most items were smaller than in 1937, imports from the United States were greater in 1938 than in any of the 4 years under analysis for the following reduced-duty products: Nuts; onions and tomatoes; wheat and other grains; bacon, hams, and shoulders; boots and shoes and slippers of leather; printed matter; farm implements and machinery; and gasoline.

Substantial benefit has been derived from a provision of the agreement under which the Canadian Government enacted legislation on May 1, 1936, permitting Canadian tourists to

bring back, duty-free, merchandise purchased in the United States up to a value of \$100 per person. During 1938, such incidental purchases were valued at over 8 million dollars (as compared with 6 million dollars in 1937 and with about 3 million dollars from May 1, 1936, to the end of the year) and consisted primarily of clothing, boots and shoes, furniture, and household appliances.

By main groups of products, the values of Canadian imports from the United States for the years 1935 through 1938 of commodities on which Canadian tariff barriers were lowered are shown in the table below.

Imports from the United States of products on which Canada bound its existing tariff treatment, were 45.2 percent greater during 1936-38 than during 1935 and, despite the temporary recession in trade, were still 38.0 percent higher in 1938 than in 1935. Among such products, imports from the United States of traction engines, and Indian corn for the manufacture of starch or cereal products, were in each case over 2 million dollars greater during 1938 than during 1935. Although actu-

VALUE OF CANADIAN IMPORTS FROM THE UNITED STATES OF COMMODITIES ON WHICH CANADIAN TRADE BARRIERS WERE REDUCED IN FIRST UNITED STATES-CANADIAN TRADE AGREEMENT, EFFECTIVE JANUARY 1, 1936 *

Commodity groups	(Thousands of dollars)			
	1935	1936	1937	1938 (preliminary)
Fresh, dried, and canned fruits.....	5,519	7,240	8,168	6,643
Fresh, canned, and preserved vegetables and vegetable preparations.....	3,375	4,257	5,211	5,090
Grains and preparations.....	592	910	4,105	10,084
Other edible and inedible vegetable products.....	2,053	3,596	3,967	3,420
Animal products.....	2,905	3,772	3,861	4,125
Textile products.....	6,476	8,202	10,010	9,273
Rubber products.....	1,294	1,506	2,172	1,814
Wood and manufactures.....	2,809	3,767	4,775	4,379
Paper, paper manufactures, and printed matter.....	8,086	10,595	13,192	13,470
Automotive products.....	24,062	27,418	38,154	26,576
Various machinery of iron and steel.....	30,966	42,657	64,798	54,372
Nonferrous metals and manufactures.....	11,548	14,557	19,549	15,920
Nonmetallic minerals and products.....	9,937	11,455	14,491	16,075
Chemical products.....	4,760	5,306	6,572	6,560
Miscellaneous products.....	5,404	7,695	10,216	11,465
Incidental purchases of returning Canadian tourists (\$100 exemption from duty began May 1, 1936).....		2,932	6,205	8,009
Total United States products on which Canada lowered its trade barriers.....	119,786	155,865	215,446	197,275

* Table compiled from *Trade of Canada, Calendar Year, 1936-1938*, Dominion Bureau of Statistics, Ottawa, Canada.

ally greater by 23 million pounds in 1938 than in 1935, the value of Canadian imports from the United States of cotton and linters was lower by 2.5 million dollars.

For the 3 years 1936-38, Canadian imports from the United States of products on which neither reduction, bindings, nor other types of concessions were obtained from Canada, averaged 22.1 percent greater than in 1935, and the 1938 imports of such products were 16.6 percent above 1935. In the decline of total imports of United States products between 1937 and 1938, this group, in falling by 17.8 percent, showed the largest relative decrease.

Among the leading nonagreement products, Canadian imports from the United States of books were greater by 700 thousand dollars during 1938 as compared with 1935; iron and steel sheets and plates, by 2.5 million dollars; well-drilling machinery of a kind not made in Canada, by 2 million dollars; various automotive parts for use by Canadian manufacturers of automobiles, by 4 million dollars; coal, coke, and products, by 1.5 million dollars; and various crude and refined petroleum and petroleum products, by 5 million dollars. Various non-agreement products were imported from the United States by Canada in smaller value in 1938 than in 1935. Among these are resin; iron or steel hoops, bands, or strips; bauxite ore and manufactures of aluminum; and aniline dyes.

The accompanying table shows the increases of Canadian imports from the United States of product groups classified according to agreement treatment.

Two other important benefits were obtained by the United States in the first agreement and continued under the new agreement with Canada. United States ports and transportation agencies are now able to handle in transit the products of non-Empire countries shipped to Canada through the United States on the same terms as if such shipments come directly into

Canadian ports. This was not possible prior to the first agreement. Also United States commercial travelers are now permitted to take samples into Canada under bond instead of having to pay the full duty without possibility of refund as was the case prior to January 1, 1936.

INCREASE IN CANADIAN IMPORTS FROM THE UNITED STATES AVERAGE 1936-38 OVER 1935, AND 1938 OVER 1935; PRODUCTS CLASSIFIED ACCORDING TO TREATMENT UNDER FIRST AGREEMENT BETWEEN THE UNITED STATES AND CANADA *

(Values in millions of dollars)

	Yearly average, 1936-38 over 1935		Yearly average, 1938 over 1935	
	Value	Percent ^b	Value	Percent ^b
Total.....	119	38.5	115	37.4
Products on which Canadian duties were lowered.	70	58.2	77	64.7
Products on which existing Canadian tariff treatment was bound.	14	45.2	12	38.0
Other products.....	35	22.1	26	16.6

* Table compiled from *Trade of Canada, Calendar Year, 1936-1938*, Dominion Bureau of Statistics, Ottawa, Canada.

^b Percentages are calculated on the basis of full figures.

UNITED STATES IMPORTS FROM CANADA

Almost all the leading products imported into the United States from Canada shared in the decline of total imports from Canada in 1938 over 1937. Also imports of major Canadian products were in most cases lower in 1938 than in 1935, as was the case with total imports from Canada. Among the products imported into the United States from Canada in smaller value in 1938 than in 1935 were: Barley and barley malt; corn; wheat both for processing and export and for domestic use; brans, shorts, and other by-product feeds; whiskey; shingles; wood pulp; and nickel ore, pigs, and oxide. Among leading products which were imported from Canada in smaller

value in 1938 than in 1937 but of which the 1938 imports were equal to or somewhat greater than 1935 imports are included: Cattle (except for breeding); fresh-water fish and eels; sawed boards and timber; unmanufactured asbestos; and calcium cyanamide.

Among the above products, reductions in duty were granted by the United States in the first agreement with Canada on whiskey more than 4 years old, on certain limited quantities of cattle of various weights, on sawed boards, and on fresh-water fish. The United States duty of 10 percent ad valorem was bound against increase on brans, shorts, and other by-product feeds while the existing duty-free entry was bound against change for shingles (imports of which were under quota control in 1937 and 1938); wood pulp; unmanufactured asbestos; calcium cyanamide; and nickel ore and oxide.

As previously stated, various factors, in addition to the trade agreement, influenced the movement of these goods. The duty concessions to Canada were granted only after care-

ful consideration had been given to the possible effect of increased imports upon United States producers of the same or substitute products. Experience has proved that the safeguards were adequate. Imports of most of these products actually proved small as compared to domestic production, and, where increases in imports occurred, such increases were generally accompanied by increases in the domestic prices of such products.

A table showing the total dollar value ^a of Canadian imports from the United States and of United States imports from Canada, for 1935 through 1938, follows:

Year	Canadian imports for consumption from the United States	United States imports for consumption from Canada
1935-----	\$308, 509, 000	\$286, 112, 000
1936-----	367, 413, 000	377, 576, 000
1937-----	489, 997, 000	394, 241, 000
1938 (preliminary)---	424, 008, 000	256, 647, 000

^a The Canadian dollar was approximately equal to the United States dollar during the 4-year period.

International Conferences, Commissions, etc.

INTERNATIONAL COMMISSION OF INQUIRY, UNITED STATES AND CHINA

[Released to the press January 11]

The President has appointed Dr. Isaiah Bowman, president of Johns Hopkins University, as American national commissioner on the International Commission provided for under the terms of the Treaty for the Advancement of Peace between the United States and China, signed September 15, 1914.⁷ Dr. Bowman's appointment fills the vacancy caused by the death of Dr. Frank J. Goodnow.

⁷ Treaty Series No. 619 (39 Stat. 1642).

The present composition of the Commission is as follows:

American commissioners:

National: Dr. Isaiah Bowman, of Maryland
Nonnational: Dr. Hafez Afifi Pasha, of Egypt

Chinese commissioners:

National: V. K. Wellington Koo
Nonnational: Henri de Codt, of Belgium

Joint commissioner:

Knut Hjalmar Leonard de Hammarskjöld, of Sweden.

Foreign Service of the United States

ESTABLISHMENT OF DIPLOMATIC RELATIONS WITH AUSTRALIA

[Released to the press January 8]

Simultaneous announcement is being made in Australia and the United States of the establishment of diplomatic relations between the two countries. The Prime Minister of Australia made public on January 8 the nomination of Mr. Richard G. Casey, formerly Federal

Treasurer and at present Minister of Supply, as the first Australian Minister to Washington. Mr. Casey has had a long record of distinguished public service in Australia and is well and favorably known in the United States. The appointment of an American Minister to Canberra will be announced shortly.

♦ ♦ ♦ ♦ ♦

PERSONNEL CHANGES

On January 11, 1940, the Senate confirmed the following Presidential nominations: John Cudahy, of Wisconsin, now Minister to Ireland, to be Ambassador to Belgium and Minister to Luxemburg; George S. Messersmith, of Delaware, now an Assistant Secretary of State, to be Ambassador to Cuba; R. Henry Norweb, of Ohio, now Minister to the Dominican Republic, to be Ambassador to Peru; James H. R. Cromwell, of New Jersey, to be Minister to Canada; Clarence E. Gauss, of Connecticut, now Counselor of Embassy and Consul General at Shanghai, China, to be Minister to Australia; Robert M. Scotten, of Michigan, now Counselor of Embassy at Madrid, Spain, to be Minister to the Dominican Republic; and Breckinridge Long, of Missouri, now special assistant in charge of the Special Division of the Department of State, to be an Assistant Secretary of State.

[Released to the press January 13]

Changes in the Foreign Service since January 6, 1940:

Franklin B. Atwood, of Nantucket, Mass., consul at Cologne, Germany, will retire from the Foreign Service effective May 1, 1940.

William M. Cramp, of Philadelphia, Pa., consul at Warsaw, Poland, has resigned from the Foreign Service effective December 20, 1939.

The officers who have been assigned to the Foreign Service School since September 5, 1939, have now received the following assignments:

William Belton, of Portland, Oreg., has been designated third secretary of legation and vice consul at Ciudad Trujillo, Dominican Republic.

William H. Cordell, of Ward, Ark., has been assigned as vice consul at Seville, Spain.

Leon L. Cowles, of Salt Lake City, Utah, has been assigned as vice consul at Barcelona, Spain.

H. Francis Cunningham, Jr., Lincoln, Nebr., has been assigned as vice consul at Vigo, Spain.

Philip M. Davenport, of Chevy Chase, Md., has been assigned as vice consul at Canton, China.

Richard H. Davis, of Ashville, N. Y., has been assigned as vice consul at Tsingtao, China.

Vernon L. Fluharty, of Worthington, Ohio, has been designated third secretary of embassy and vice consul at Bogotá, Colombia.

A. David Fritzlan, of Wilmore, Ky., has been designated third secretary of legation and vice consul at Tehran, Iran, and will serve in dual capacity.

John Goodyear, of Springfield Center, N. Y., has been assigned as vice consul at Guatemala, Guatemala.

Robert Grinnell, of New York, N. Y., has been assigned as vice consul at Singapore, Straits Settlements.

Roger L. Heacock, of Baldwin Park, Calif., has been assigned as vice consul at Rio de Janeiro, Brazil.

John Evarts Horner, of Denver, Colo., has been assigned as vice consul at Wellington, New Zealand.

Outerbridge Horsey, of New York, N. Y., has been assigned as vice consul at Budapest, Hungary.

Randolph A. Kidder, of Beverly Farms, Mass., has been assigned as vice consul at Sydney, New South Wales, Australia.

William L. Krieg, of Newark, Ohio, has been assigned as vice consul at Basel, Switzerland.

Carl F. Norden, of New York, N. Y., has been assigned as vice consul at Warsaw, Poland.

David T. Ray, of Arcadia, Calif., has been designated language officer at the Embassy at Tokyo, Japan.

Robert W. Rinden, of Oskaloosa, Iowa, has been assigned as vice consul at Hong Kong.

David M. Smythe, of Memphis, Tenn., has been assigned as vice consul at Bilbao, Spain.

Delano McKelvey, of Washington, D. C., vice consul at Toronto, Ontario, Canada, has been assigned to the Foreign Service School, effective March 5, 1940.

Owen W. Gaines, of Atlanta, Ga., vice consul at Santiago de Cuba, has been assigned as vice consul at Ciudad Juárez, Mexico.

Treaty Information

Compiled by the Treaty Division

HEALTH

Convention Modifying the International Sanitary Convention of June 21, 1926

Australia—Denmark—New Zealand—Sweden

The American Ambassador to France reported by a despatch dated December 16, 1939, that he had been informed by the Ministry for Foreign Affairs that the Convention signed at Paris on October 31, 1938, Modifying the International Sanitary Convention of June 21, 1926, had been ratified and instruments of ratification deposited with the French Government by Australia on September 28, 1939; by Denmark on November 15, 1939; and by Sweden on No-

vember 14, 1939; also that the adherence of New Zealand was deposited on September 30, 1939. The convention has now been ratified by Australia, Denmark, Egypt, France, Great Britain, Italy, and Sweden, and has been adhered to by Belgium, New Zealand, and the Union of South Africa.

ARBITRATION

Permanent Court of Arbitration

Colombia

The American Ambassador to Colombia reported by a despatch dated December 19, 1939, that the President of Colombia has appointed

as members of the Permanent Court of Arbitration Señor Dario Echandia, Colombian Ambassador at the Vatican; Señor Roberto Urdaneta Arbelaez, Colombian Ambassador to Peru; and Señor Raimundo Rivas, Colombian Minister to Uruguay.

CONCILIATION

Treaty With China for the Advancement of Peace (Treaty Series No. 619)

The present composition of the International Commission provided for under the terms of the Treaty between the United States and China for the Advancement of Peace, signed September 15, 1914, appears in this *Bulletin* under the heading "International Conferences, Commissions, etc."

COMMERCE

Termination of Trade-Agreement Negotiations With Argentina

An announcement regarding the termination of negotiations of a trade agreement with Argentina appears in this *Bulletin* under the heading "Commercial Policy."

Termination of Trade-Agreement Negotiations With Uruguay

An announcement regarding the termination of negotiations of a trade agreement with Uruguay appears in this *Bulletin* under the heading "Commercial Policy."

TELECOMMUNICATIONS

International Telecommunication Convention (Treaty Series No. 867)

Iceland

According to notification No. 345, dated December 1, 1939, from the Bureau of the International Telecommunication Union at Bern

a communication was received by the Bureau on November 22, 1939, from the Icelandic Administration stating that on November 8, 1939, the Government of Iceland approved the following acts signed at Cairo on April 4 and 8, 1938:

General Radio Regulations and Final Protocol (Revision of Cairo, 1938)
Additional Radio Regulations and Additional Protocol (Revision of Cairo, 1938)
Telegraph Regulations and Final Protocol (Revision of Cairo, 1938)
Telephone Regulations and Final Protocol (Revision of Cairo, 1938).

International Consultative Committee on Radiocommunications (C. C. I. R.)

There is printed below a translation of the communication from the Swedish Administration dated November 18, 1939, as published in notification No. 345, dated December 1, 1939, from the Bureau of the International Telecommunication Union at Bern:

"As indicated in notification No. 332 of the Bureau of the Union dated May 16, 1939, the fifth meeting of the C. C. I. R. had been scheduled for June 25, 1940.

"According to Article 2, paragraph 2 of the internal regulations of the C. C. I. R., the Swedish Administration, in its capacity of organizing administration, should send the invitation to this meeting to all administrations of the International Telecommunications Union and likewise to certain international bodies at least six months preceding the date mentioned, through the intermediary of the Bureau of the Union.

"However, by reason of the present international political situation, we consider it necessary to postpone the meeting in question to a later, indeterminate date, and we request you to be good enough to inform the interested administrations of this fact, adding that a new date will be set for the meeting as soon as circumstances permit."

Publications

DEPARTMENT OF STATE

Officers' Competency Certificates Convention, 1936:
Convention Between the United States of America and
Other Members of the International Labor Organiza-

tion.—Adopted by the General Conference of the
International Labor Organization, twenty-first session,
Geneva, October 24, 1936; proclaimed by the Presi-
dent September 29, 1939. Treaty Series No. 950. 11
pp. 5¢.

Friendship and Cooperation: General Treaty Between
the United States of America and Panama, and Ex-
changes of Notes.—Treaty signed at Washington
March 2, 1936; proclaimed by the President July 27,
1939. Treaty Series No. 945. 69 pp., maps. 20¢.

U. S. GOVERNMENT PRINTING OFFICE: 1940

For sale by the Superintendent of Documents, Washington, D. C.—Price 10 cents - - - - Subscription price, \$2.75 a year

PUBLISHED WEEKLY WITH THE APPROVAL OF THE DIRECTOR OF THE BUREAU OF THE BUDGET